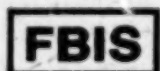


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# Latin America Report

No. 2361



FOREIGN BROADCAST INFORMATION SERVICE

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1 September 1981

## LATIN AMERICA REPORT

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## CONTENTS

## ENERGY ECONOMICS

## BRAZIL

## Briefs

August Garoupa Production 1

## COUNTRY SECTION

## CHILE

Pablo Rodriguez Expresses Concern Over Recent Trends  
(Pablo Rodriguez Grez; LA TERCERA DE LA HORA, 12 Jul 81) .. 2

Study on Political Ideology of Military Discussed  
(Enrique Krauss Rusque; LA TERCERA DE LA HORA, 16 Jul 81) . 4

## COSTA RICA

Only Three Parties Remain in Coalition  
(LA REPUBLICA, 20 Jun 81) ..... 6

## CUBA

Jorge Risquet Discusses Economy Issues  
(Jorge Risquet Valdes; various sources, various dates) .... 10

Transport Cargo Problems  
Managing Economy Problems

Havana Comments on Various International Issues  
(PRISMA LATINOAMERICANO, Jun 81) ..... 28

U.S. Firms, Central America, by Carlos Mora Herman  
Mitterrand Victory Hailed, by Irma Caceres  
New Development Model Needed, by Jose Bodes Gomez

Possible Reforms in People's Government Noted (Lazaro Barredo Medina; JUVENTUD REBELDE, 23 Jun 81) .....	34
Preparations for CDR Congress: Needed Documents (JUVENTUD REBELDE, 16 Jun 81) .....	37
Reportage on Party Work Committees in Sugar Mill (Enrique Sanz Fals; GRANMA, 13 Jul 81) .....	38
PERU	
Interior Minister Gets Congress' Support To Fight Terrorism (LA PRENSA, 18 Jul 81) .....	41
Editorial View on 400 Billion Soles Deficit for 1981 (Editorial; LA PRENSA, 18 Jul 81) .....	42
Trade Balance Deficit Reaches 110 Million Dollars (EL COMERCIO, 24 Jul 81) .....	44
Briefs	
Medical Committee Reviews Torture .....	46
SURINAME	
Press Censorship, Political Trends Viewed (Frans van Klaveren; NRC HANDELSBLAD, 1 Aug 81) .....	47
URUGUAY	
Exiles Detail Site, Methods, Leaders of INMY Intelligence Service (JORNAL DO BRASIL, 12 Jul 81) .....	52
VENEZUELA	
Reasons for Coup D'Etat Rumors Discussed (RESUMEN, 12 Jul 81) .....	56



## BRIEFS

AUGUST GAROUPA PRODUCTION--The definitive Garoupa system will enter into operation in August, producing initially 15,000 barrels of petroleum a day. With this, total domestic production will increase from the current 225,000 barrels to 240,000 barrels per day, Petrobras announced yesterday. As the technicians explained, the 15,000 barrels a day constitute, in fact, the first stage of the definitive Garoupa system and represent preliminary production while additional wells are being drilled. In this first stage, six wells will be in operation. Later, 10 more will be activated, raising production to over 50,000 barrels. The Garoupa platform continues to receive surface installations, a task carried out by Montreal Engineering Company. When it is entirely ready it will be able to deliver 200,000 barrels a day. This will be possible because, as a central platform, Garoupa will receive petroleum from other fields. Montreal Engineering Company, in turn, confirmed that the second definitive platform of the Campos Basin, destined for the Enchova field, will be shipped in August from Bahia to the Rio de Janeiro coast. The Enchova platform, built at the Sao Roque do Paraguacu construction site in Todos os Santos Bay, is receiving finishing touches. [Text] [Rio de Janeiro O GLOBO in Portuguese 23 Jul 81 p 21] 8834

CSO: 3001/222

## PABLO RODRIGUEZ EXPRESSES CONCERN OVER RECENT TRENDS

Santiago LA TERCERA DE LA HORA in Spanish 12 Jul 81 p 3

[Article by Pablo Rodriguez Grez: "Alarming Symptoms"]

[Text] Many Chileans have questioned the nature and scope of the so-called period of transition. Most of the criticisms made in the debate which preceded the plebiscite on 11 September 1980 centered on the length of that period, given the fact that the country appeared to have returned to normality rather quickly, and even today one frequently hears that nothing justifies maintaining for 8 years the constitutional structure outlined in the transition articles.

The stubborn facts, however, again prove right those of us who opposed the fixing of rigid time periods or who clamored for a transition statute which would discourage the secular adversaries of the regime once and for all.

Three problems are clouding the public peace and seriously threatening the stability of the regime: the increase of Marxist terrorism, the undercover activity of liberal party factions and the fragility of the economic model in the face of international financial emergencies and abuses by certain businessmen.

## Marxist Terrorism

The coordinated action of three terrorist groups which simultaneously attacked a police barracks, an Investigation Service barracks and a bank branch shows, as we said 2 weeks ago, "discipline, training and the availability of important military equipment." To this we must now add the discovery of an extremist camp in the southern part of the country, an area especially suited to beginning rural guerrilla incursions. There is no doubt, in my opinion, that this plan is organized by international communism and has its logistical support and its ideological blessing. Remember that Fidel Castro began his revolution in the Sierra Maestra with no more than 12 militiamen and that it continued to grow in spite of the immense superiority of the government troops. Nor can we pass over the fact that an urban commando murdered an official of the security services in a perfectly planned sneak attack. However the situation is analyzed, one must conclude that communism has begun a phase of terrorism, taking advantage of the period of relaxation following the 1980 plebiscite. The people are indifferent to this, it must be admitted, and are not weighing the danger that is threatening our national existence.

## Political Party Action

The inorganic remains of the political parties, facing a growing lack of popular support, have ceded the initiative to a group easily described as labor. I refer to the National Union Coordinating Group, whose leadership includes representatives of the Christian Democrat, Radical Socialist, Communist and other parties which until 1973 made up the ill-named Popular Unity Party. The traditional leaders have understood that they cannot launch a popular opposition movement--given their hazy civic careers--and that this new front organization has the advantage of close ties with the church. The facts demonstrate, without any room for error, that the aforementioned coordinating organization is an instrument of the dissolved political parties and that their leaders are acting with the support and cooperation of some high Catholic prelates. That is the source of the persistence of the workers' representatives and their defiant attitude toward law and authority.

Its appearance on the political scene shows an aboutface in the opposition. The suggestive silence of the displaced party leaders, which more than one optimist has interpreted as a recognition of the government's economic successes, has been followed by a renewed effort to gain a political opening for this organization, which is obviously of a union nature. In this way, they believe they will be able to encourage subversive action and provoke a social mobilization which the old political professionals cannot encourage.

## Economic Upheaval

To the factors already described we must now add the inevitability of an economic upheaval with unforeseen consequences and also of indefinite duration. The extreme sensibility of the economic model to the cyclic behavior of the world economy, on the one hand, and the failure in its speculative operation of the CRAV group, on the other, destroyed the happy predictions made 2 years ago by partisans of the liberal Chicago system. The long-term freezing of the dollar and the untouchable tariff structure implemented in 1975 forced us to wait for an automatic adjustment in the system without regard to the social and political cost. The crisis in the balance of payments resulting from the exorbitant increase in imports as compared with exports will be offset, our economists say, by the rise in the interest rate, which will reduce purchasing power and encourage domestic savings and foreign credit. This will cause at least a 50-percent reduction in the growth rate compared to what was announced a year ago and will put an end to many hopes and plans.

The concurrence of these three elements seriously complicates the present political picture and demands careful treatment. It is not possible to approach one of these problems without considering the others. This, in my understanding, has been the error of the technocrats who, unfortunately, cannot build a model, no matter how perfect, without examining the social terrain on which it is to be based.

8735

CSO: 3010/1574

## STUDY ON POLITICAL IDEOLOGY OF MILITARY DISCUSSED

Santiago LA TERCERA DE LA HORA in Spanish 16 Jul 81 p 2

[Article by Enrique Krauss Rusque: "The Political Ideology of the Military"]

[Text] One of the factors which has had a very negative effect on relations between the Chilean military government and civilian political sectors is the abysmal ignorance that the latter have of the individual and organic personality of the armed forces. Ignorance of the true contours of that personality has led some to have an apologetic attitude toward members of the armed institutions, falsely laudatory, verbose and praising, while what they are really trying to do is instrumentalize their influence and make use of their power. Others, on the other hand, have a demoniac vision of the military. They confuse the military with militarism, which is the fetishist cult of the undeniable values served by the armed forces.

This ignorance by most of society of the ideological and political concept of the military arises from the very character of the military profession. The profession of army officer is one which cannot be exercised in an independent way or in private institutions, and it can only be developed in a public organization. The military officer, more than anyone else, identifies with the state. In addition, the military profession imposes a life style. Comparable to that of the priesthood, it forces those who serve it to lead an "institutional" existence, often in places which are closed to civilians. It builds character, as Tobias Barros would sometimes say. It is a question of hierarchical organizations based on age, training, education and technical capacity and, in particular, on discipline, that is "reflective, but immediate, obedience, without vacillation, of subalterns to their superiors." Rigidly stratified, it does not recognize within itself any other factor of privilege and right than that conferred by rank. Its members are considered basically equal, with no other differences than those which arise from seniority and merit. That style of life extends even to the family, a sort of kinship being characteristic of members of the military profession.

Those characteristics result not only in ignorance of the military by civilians. Reciprocally, the military tends to have a caricaturish idea of political and union leaders, of academic professionals and in general of other civilians. The exacerbated scorn of historical action by civilians leads to pretorianism, which maintains that politics is a part of strategy or, in other words, that politics must be thought of in terms of a strategic or tactical military action.



These days it is imperative to know the political ideology of the military. Certainly this is an enormously difficult task, since the subject must be purged of tendentious implications which introduce disfiguring elements, such as identifying the armed forces with predetermined social or economic classes.

This difficult and urgent task has received important and positive support from political scientist Genaro Arriagada, who has recently published under the sponsorship of the Center for Social and Economic Research of the Society of Jesus in Chile an interesting study on "The Political Thought of the Military."

Genaro Arriaganda's work incorporates clarifying elements into the discussion of a subject which, inexplicably, has only been lightly touched upon by the political analysts of our country. It analyzes the characteristics of the military profession, considers its more typical sides, militarism and pretorianism, and investigates three basic aspects of its thought: the anti-Marxist idea, which in Chile's case recognizes origins even prior to the Russian Revolution; geopolitical doctrine, which in the armies of the southern cone of Latin America is inspired by the idea that geopolitical figures are in charge of "maintaining the health of political groups"; and the definitions of countersubversive war gathered during the 1970's.

The suggestions contained in Genaro Arriagada's study show, with the seriousness typical of its author, the ambivalent relationship which exists between civilians and the military. Although in the ideology of the creators of the professional army--Gneisenau, Scharnhorst and Clausewitz--the military profession must develop without undesirable political interference and war is an instrument of politics which therefore must be subordinated to the civil authority, the truth is that the military presence cannot be ignored in peacetime. For the same reason, to define the terms of its participation in the future democratic process is a necessity as inevitable as it is interesting, and for this reason Arriagada's text is a valuable contribution.

8735

CSO: 3010/1574

## ONLY THREE PARTIES REMAIN IN COALITION

San Jose LA REPUBLICA in Spanish 20 Jun 81 p 2

[Text] Presidential candidate Rafael Angel Calderon Fournier announced yesterday in the Hotel Costa Rica that the coalition Unidad will participate in the 1982 elections with three parties under the red and blue emblem.

Speaking before his party's assembly, Calderon stated that he will respect the convention pact with Engineer Rodolfo Mendez Mata and at the same time he announced the popular election positions to which he is entitled. He did the same in relation to the Christian Democrat (DC) and Popular Union (PUP) parties which will remain in the coalition.

Calderon made the announcement only a half hour after a Democratic Renewal Party (PRD) assembly had closed spectacularly in the middle of a violent scene with shouts of uncompromising disagreement. Two groups confronted each other all through the meeting. Some were for Calderon and others against him. The latter were represented by delegate Rolando Romero. They even made strong statements about safeguarding the principles which inspired the founding of the PRD.

The PRD, which met in its clubhouse on Paseo Colon, ended its meeting in an abrupt manner when its president, Oscar Aguilar Bulgarelli, feeling that the existing emotional climate was not suitable for dialogue and understanding, closed the meeting "in expectation of a better time and circumstances for a dialogue."

A group of approximately 28 PRD delegates remained at party headquarters and passed a motion under which it will nominate its own candidates for positions which are filled by popular election. It rejected a motion of the directorate on the allocation of posts and it called for a new assembly to be held on 2 August to review the statutes, recall the directorate and to hear any reply to Calderon Fournier's proposals.

But Calderon, when he spoke to his assembly, reinforced by leaders of the DC party, the PUP and even of the PRD, said he regretted that that assembly had adjourned without coming to an agreement.

He accused a group of representatives of that party at its assembly, who "do not represent either the leadership or the mass of the party," of blocking an agreement which "Mr Aguilar Bulgarelli and his friends" were promoting in order to consolidate the coalition.

And he stated that because of this he was presenting to his party's assembly a proposal for the modification of the coalition pact in such a way that Unidad would consist of the Republican Calderonist Party, the DC and the PUP; that it go to the polls with an emblem of red and blue horizontal stripes. Positions 2 and 9 on the ticket of deputies for San Jose, position 1 for Cartago and position 1 for Puntarenas would be assigned to the DC; position 5 for San Jose and 5 on the ticket of San Jose councilmen to the PUP; and finally positions 4 and 6 on the deputies' ticket for San Jose, 3 and 6 for Alajuela, 3 for Puntarenas, 3 for Guanacaste and 2 for Limon, to Engineer Rodolfo Mendez Mata, this last as agreed upon at the convention.

After he announced that this motion, in accordance with the convention agreement, included posts for councilmen, syndics and substitutes, the motion was passed by acclamation.

Calderon gave a speech in which he praised Mendez, calling him a great comrade and in which he repeatedly made allusion to the fact that his party and he personally always honored the agreements they signed.

He also referred to what he called the concessions which he had made to the PRD through Aguilar Bulgarelli in order to maintain the unity of the coalition. He said that he had offered the PRD positions 8 and 10 on the ticket of deputies for San Jose, position 6 for the province of Alajuela, and 2 for the province of Limon on the condition that a candidate from Guapiles should be named and position 3 should be for Guanacaste. In addition, he offered them all of the even-numbered posts for the municipalities with the exception of the second places in the districts of Central de San Jose, Desamparados Goiechea, Perez Zeledon, Central de Alajuela, San Ramon, San Carlos, Central de Heredia, Central de Puntarenas, Aguirre, Osa, Golfito, Liberia, Nicoya, Central de Limon and Pococi.

He said that on the tickets for councilmen and municipal sundics, a total of 16 second places are reserved for the following of the Engineer Mendez Mata.

"Keeping in mind the fact that the PRD assembly did not accept this agreement, the Calderonist Republican party has taken steps to keep its agreement of honor, respecting in all its parts the agreement of the convention," he emphasized.

Alluding to the fact that the split of the coalition might affect Unidad economically, he said that we have the leadership, spirit and desire to succeed and "that is enough."

He said that "many political novices have attempted to place pitfalls in my path toward the presidential candidacy and have attempted to continue placing them but fortunately there are with me persons who are capable of standing up to them, including leaders and followers of the PRD who know how to honor their commitments.

"Healthy parties, such as the PUP and the DC, are with me and so are an immense number of Costa Ricans who are conscious of their responsibility to guarantee the country economic improvements, peace and social justice for the next 20 years," he added.

It should be pointed out that the Calderonist assembly, which met on the fifth floor of the Hotel Costa Rica, yesterday formed a new directorate with Rafael Calderon as president; Dr Alvaro Aguilar, vice president; Rolando Lade, general secretary; Prof Marvin Herrera, deputy secretary; Deputy Mario Romero, treasurer; and Danilo Chaverri, deputy treasurer.

The Calderonist meeting filled the fifth floor of the Hotel Costa Rica and closed on a note of jubilation.

#### PRD Assembly

The national assembly of the PRD in a dramatic session closed abruptly by its president, Oscar Aguilar, after a heated political debate, with spirits inflamed and almost in violence, ended its activity with an improvised meeting of "dissident" representatives who demanded popularly elected positions, a 50 percent reduction of the political debt, and the reorganization of the command centers of the coalition.

After adjourning the session, Aguilar announced that he would shortly call a new meeting in which there would be more inclination toward a dialogue.

Aguilar had brought an extensive report of the negotiations of the PRD directorate with Calderon Fournier and the specific proposal mentioned above in order to submit it to a vote by the assembly. And simultaneously a group headed by representative Rolando Romero made a different proposal. It was later alleged that the passage of this proposal implied a rupture with Unidad.

Among other things the so-called dissident group asked for positions 4,6,8,10,13,15, 17 and 19 on the ticket of deputies for San Jose and 3,4,7 and 9 for Alajuela; positions 4 and 6 for Cartago; 2 for Heredia; 2 and 4 for Guanacaste; 3,5, and 7 for Puntarenas and 2 for Limon.

They requested that a body be formed under the direction of Unidad, consisting of representatives of the four parties chosen by the assembly of each party, to be presided over by a delegate designated by the candidate. They also asked that they be allowed to search for viable alternatives to win the elections; and to reduce by 50 percent the political debt. They requested councilman positions and gave Calderon a period of a week to reach a decision.

Between 25 and 30 persons at the assembly who did not accept Aguilar's decision to adjourn the meeting not only passed this motion but also rejected his proposal and called a meeting for 2 August to recall the directorate.

From the very opening of the assembly, one group of delegates maintained that the PRD could not accept orders from anyone and that it should fight for its right to nominate candidates for popularly elected positions. Rolando Romero, who later showed he was very angry at Aguilar Bulgarelli's decision to adjourn the meeting, supported this idea.

In a long speech, he said that his party could not accept orders from Mendez, Calderon or anyone else. Otherwise it would be better if "we went home."



He was supported by other delegates who stated that the party "should not accept ultimatums such as the one that they should not let Sunday slip by" in a clear allusion to Calderon's warning yesterday that Unidad had to consolidate in order to devote all its energy to the electoral campaign.

There were several speeches and with each one the debate became more entangled until some delegates, among them Jose J. Munoz, former president of ITCO [Institute of Lands and Settlement] proposed a recess so as to "seek an agreement in cleaner air."

It was then that Aguilar took the floor to make a number of comments about his political participation in the PRD, his efforts in trying to obtain election positions for his party and, in passing, to criticize what he called "ill-considered" speeches by his colleagues. He also said that he could not preside over an assembly which ignored the instructions he gave it to seek the consolidation of the coalition and finally he stated that "since there is no atmosphere for conversation, I adjourn the meeting."

What came later was an informal and heated debate between the delegates and the determination of one group to go ahead in spite of the doubts that existed regarding the legality of continuing the meeting. And finally, in the Hotel Costa Rica, the Calderon meeting, after finding out what had happened, decided to eject the PRD from the coalition.

#### Agreement Ratified

Last night the DC, in its headquarters on the Paseo de los Estudiantes, ratified the agreement made by the Republican Party.

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CSO: 3010/1614

## JORGE RISQUET DISCUSSES ECONOMY ISSUES

## Transport Cargo Problems

Havana TRABAJADORES in Spanish 3 Jul 81 p 4

[Speech delivered by Jorge Risquet Valdes, member of the party's Political Bureau, at the Transport Worker Day ceremony in Pinar del Rio; date not given]

[Text] We are gathered once again to celebrate Transport Worker Day.

Pinar del Rio Province was selected as the site of this main ceremony, because it has performed exemplary work on the freight transportation system; that is, on what has been called the port-transport-internal economy chain.

It was the Pinar del Rio workers who, from the very moment at which our party's summons was made, in June of last year, responded with great energy, enthusiasm and initiative, displaying emulation, and quickly attaining notable success which served as an example and spurred the action of all the nation's workers. The Pinar del Rio workers are the promoters of the efficiency movement in the chain, the movement for Zero Demurrage.

This was not a spectacular but fleeting impulse, but rather serious, thorough, hard work, which has been maintained throughout an entire year, improving day by day. The best evidence of it is that, during the first months of this year, when the province's workers were entirely engrossed in the great battle of the exceptional, victorious tobacco harvest, the operation of the chain in Pinar del Rio continued to be the most efficient in the whole country.

From the previous celebration of Transport Worker Day until this one, the workers united in the National Union of Transportation Workers have proven with deeds that they are part of the vanguard in the struggle for production and services; and with their courageous daily effort, and their exemplary behavior, they have asserted their presence, together with this nation of workers, which is constructing socialism under the very nose of the leading stronghold of imperialism.

The most noteworthy success accrued by you transport workers, along with the workers in the ports and storage facilities of the internal economy, during the year that has elapsed, has been that related to the freight transportation chain.

The Gains Made in This Important Activity of the National Economy Are an Eloquent Reflection of the Conscience of Our Working Class

The gains made in this important activity of the national economy are an eloquent reflection of the conscience of our working class, which responded to the summons of our party and, with its unlimited energy and selflessness, worked the miracle of eliminating nearly all the demurrage in the land and sea transportation facilities, making up for the shortage of material resources with the strength of its organization, its spirit of sacrifice and its revolutionary determination.

If there are still flaws in the freight transport system which conspire against the greater efficiency that we wish to attain, and we shall not give up until we attain it, these flaws cannot be blamed on the collective workers who have adopted the slogan "load, unload and transport, by day and night, from Monday to Sunday."

They can be blamed precisely on isolated officials and administrative cadres, or workers, who have not caught the workers' emotion, who have been unable to break off from bureaucratic routine, who do not consider their own the national economy, which is supported by the effort of those with sweat on their shirts in cane fields and sugar mills, ports and factories, trains and trucks, farms and buildings under construction, hospitals and wharves.

It is the working class, organized on a mass scale in its unions, under the direction of its vanguard party, which is the bearer par excellence of the revolutionary conscience; in it lies the invincible strength of our socialist revolution.

Around it march the peasants, students, intellectuals and other strata of the working population, united in the unbreakable battle line of our people, on a combat march wielding the two slogans that Fidel taught us: production and defense.

Comrades, male and female:

Our party's Second Congress devised the guidelines for economic and social development during the current 5-year period from 1981 to 1985.

We are in the first year of this 5-year period.

During the first 5 months of this year, the toil of the transport workers engaged in land and air freight, and the shippers, made it possible to transport 1.816 million tons more than last year, of which volume 1.2 million tons were transported by truck.

During These First 5 Months, 130 Million More Passengers Than in the Same Period Last Year

During these first 5 months, the passenger transport workers carried, roughly, 130 million more passengers than in the same period last year, of which volume 118 million were carried by bus, and of the latter number, 81 million by urban bus. We should stress the fact that, of these 81 million, 63 million were carried by the City of Havana urban buses, which also assisted in exemplary fashion with the people's transportation to the splendid May Day ceremony.

These accomplishments would not have reached such levels if it had not been for the selfless, strenuous and persistent effort on the part of the workers in shops, those rebuilding, the railroad maintenance brigades, those working in communication, the administrative employees, and the technicians and managers who, combined with the vigorous transport workers, constitute the bloodstream of our economy; because they carry to all parts of the country the materials necessary for production and the items required for living, and they carry the producing men and women to the work centers.

Hence the enormous importance of your work in attaining the goals devised by the Second Congress. The directives emanating from this historic event cite the need for a steady increase in passenger transportation, and for meeting the demand for freight transportation. For this purpose, it is necessary to start right now to intensify all the forces, all the creativity, all the initiative and all the might which typify the working class.

Transportation is a constant, dynamic activity, which cannot be stopped, because if it were stopped, the country itself would come to a standstill.

Despite the gains that have been made, there are still shortcomings. In the main report to the party's Second Congress, Fidel said: "In transportation, there must be a surmounting of the obstacles that we have faced, which have made it impossible to exploit the available resources to a maximum extent, or to consolidate the effort expended on investments. Special attention will be required to improve the efficiency of the service."

The trucking industry must quickly improve its indexes on equipment in service, make maximum use of its freight transport capacity and raise the rotation indexes. The shipping workers must make a marked improvement in their organization, so that there is not a ton of capacity left unused, the notice of the arrival of the freight given to the consignees is timely and nothing is missing. The freight must reach the storage facilities in the amount and manner, and according to the timetable stipulated in the contracts, and this is a responsibility of the shipping enterprises.

The Treatment of the Customer, the Information in the Terminals and the Routing Have Not Yet Improved Noticeably

In the main report to the party's Second Congress, in discussing the railroads and after mentioning the achievements, Fidel remarked: "In rail transportation, there have been failures to meet schedules, poor service and violation of operation and maintenance regulations." This situation, which still persists, must be overcome. Although it is true that freight transportation has increased, passenger transportation has declined in the important area of the people's transport. The treatment of the customer, the information in the terminals and the routing have not yet improved noticeably.

Despite the limitations on material resources, for which we are attempting to purchase the essentials, taking into account the country's economic difficulties, the efforts must be redoubled to have the railroads run on time, efficiently, with cleanliness and good treatment of the people.



During the past 5-year period, passenger transport by car was adversely affected to a considerable extent by the lack of organization, flawed management and administration, mistreatment of equipment, poor repairs and unsystematic maintenance. In addition, there was lack of discipline everywhere, as well as mistreatment of the working people.

Many of these shortcomings have been improved to some extent; however, there must be better care and organization of the existing resources, an increase in the quality of the repairs and strict compliance with the maintenance plans.

The requirement for fulfilling the obligation is a task for everyone, beginning with the driver of the car and extending to the highest-ranking officials.

During these first 5 months of the 5-year period, the taxi drivers have transported 671,700 more passengers than during the same period last year; and they are preparing to receive the new engineering that will begin arriving this year for the units in the provincial capitals as soon as the essential conditions have been created.

The Workers Organizations, Those of UJC, the Party Cells and, Particularly, the Administrations of Car Rental Stations, Must Be Intransigent With Anyone Who Mistreats the Equipment

The workers organizations, those of UJC [Union of Young Communists], the party cells and, particularly, the administrations of car rental stations, must be intransigent with anyone who mistreats the equipment, breaks the maintenance regulations or does not observe the most fundamental rules of good treatment to the people.

The most popular transportation facility is the bus; we might almost say that the people gage the efficiency of all the transportation by its performance. Hence, it is logical that this important means of transportation be constantly under the critical scrutiny of our vanguard people.

Although it is true that there was a considerable increase made in passenger transport by bus, particularly by the workers of the Havana City Bus Enterprise, which renewed its laurels with its exemplary attitude toward the appeal from the commander in chief, this service is not yet at the level which the working people need and deserve.

Despite the persistent work performed by civil and agricultural aviation workers, the efforts must be redoubled until the schedules and plans that have been devised are fulfilled.

Shops are to transportation what lungs are to the human body. When the shops operate poorly, the stock of equipment gradually declines.

The success of transportation depends largely on the good work of the shops. Despite the success already achieved and the work made difficult at times by the shortage of parts and resources imposed on us by the Yankee blockade, on the one hand, and the worldwide state of capitalist economic crisis, on the other, we cannot postpone the intensification of the battle against shoddy workmanship, lack of quality in work, carelessness and lack of discipline in maintenance and compliance with technical standards, lack of stringency on the part of foremen, disorganization and low productivity that are evident in a considerable number of shops.

The Workers and Foremen, Particularly the Latter, Must Increase the Stringency, Organization and Discipline to a Maximum

The workers and foremen, particularly the latter, must increase the stringency, organization and discipline to a maximum. The slogan for this urgently needed battle must be: "More quality in repairs and maintenance, better use of available resources and more equipment in service."

Included among the goals of our socialist transportation, run by the working class, collective owner of these means of production, in addition to an increasing fulfillment of the needs of freight and passenger transport, are also the strictest compliance with punctuality, a higher level in the technical status and utilization of capacities, the most refined treatment of the people and maximum care of the freight being transported: all this at the least possible cost. These are the permanent goals for which we must strive.

Comrade transport workers:

On a day like today, exactly 10 years ago, Comrade Fidel brought to a close the National Plenary Meeting on Production and Productivity in the Transport Industry.

On that occasion, the national union that was to unite the transport workers was also formed.

It was the renewal of the combative, revolutionary spirit of the union of Jose Maria Perez and so many other fighters, that would lead the transport workers, not to the struggle for economic claims against the exploiting boss, and for political rights against the bourgeois state, but rather to the struggle against backwardness, underdevelopment and ignorance, and for the construction of socialism and the welfare of the people.

These have been 10 years of hard labor during which considerable fruits have been harvested. Mistakes have also been made, but the results are, without doubt, significantly favorable. We have progressed.

During this period, there has been an improvement in work methods, and structures, the cadres have gained experience and, what is very encouraging, new, valuable, union cadres have come into existence.

During This Time, the National Union Has Learned How to Mobilize the Workers Correctly in the Pursuit of Their Goals

During this time, the national union has learned how to mobilize the workers correctly in the pursuit of their goals; it has learned how to protect the rights that belong to it; and it has helped to raise the workers to higher levels of revolutionary awareness. The fulfillment of the production and service plans, the participation in internationalist solidary aid to other peoples in their struggle against imperialism, the success of the Battle for Sixth Grade Education and many other battles waged are palpable examples of this.

Other examples also attest to the accomplishments made. Hard work has been done on the organization of work and wages. At the end of 1979, the number of workers

affiliated reached 63,949; and now, in the first quarter of this year, the number totals 88,468, and there is an intention to attain 100,000 by the year's end.

The General Wage Reform has been applied to 79 percent of all workers in 95 enterprises and 1,299 establishments.

Socialist Emulation is increasingly improving its mechanisms, and has become an instrument to mobilize the effort, enthusiasm and conscience of the working masses. This does not mean that everything is perfect now, by no means; but the progress is notable.

Now the emulation in honor of the Tenth Congress of the World Federation of Trade Unions is under way, and is gaining strength among the workers collectives.

At the end of the first quarter of this year, 941 units and 81 enterprises were holding emulations among each other. A total of 95 percent of the workers are involved in individual emulation, and 81.5 percent of the emulating units are fulfilling all the indicators.

The Outstanding Workers Movement Has Attained Noteworthy Success in the First Quarter of This Year

The outstanding workers movement has attained noteworthy success in the first quarter of this year. With over 47,000 members, the total number of voluntary hours worked reached 747,000, resulting in 169,000 trips made, carrying 11.81 million passengers and 303,000 tons, contributing 1.58 million pesos to the nation's economy, a concrete demonstration of the communist conscience attained by the transport workers. This occurred in only one quarter!

At the present time, 440 committees of innovators and streamliners have been established, with 3,730 members. A total of 588 proposals for innovations have been submitted, of which number 547 were approved and put into effect.

In view of the conditions under which our economy is operating, we must stimulate this activity to a maximum extent, because the contribution to the people's prosperity in this respect is inexhaustible.

The Battle for Sixth Grade Education ended with a resplendent victory for the Cuban working class. Now we must wage a far more difficult battle: the conquest of the ninth grade for all those suited for attaining it.

Precisely because this is a far more arduous task, it requires greater endeavor, more organization and more creativity, doing away with the myth that the very features of the transportation system preclude progress. What we must do is seek intelligent and timely solutions.

No fewer than 12,000 workers are due to enroll in the next course.

Similarly, work must be done on technical progress. It is inconceivable to run transportation without a mastery of the technology. The effort in this regard must be redoubled, seeking the best qualified to teach the least qualified, and seeing to it that there is not a single transportation work center in which technical instruction is not given.

## The Workers Need and Require a Combination of Cultural and Technical Improvement

The solutions lie in the masses themselves. In this respect, we must destroy the bureaucratic obstacles of absolute perfection. The workers need and require a combination of cultural and technical improvement. Only in this way will it be possible to operate with the most complex technology, and to systematically increase productivity and, in proper relationship to this, the workers' income.

Meriting special mention today are the workers who, holding a hatchet or steering wheel, set forth to make their contribution to the main branch of our economy, and managed to raise the prestige of the transport workers very high in this battle of titans.

A total of 3,256 cutters were mobilized for the sugar harvest, of which number 88 attained 100,000 arrobas or more, and 120 were nominated for the Jesus Menendez medal.

A total of 41 brigades joined the million-arroba movement, one of which gained 6 million arrobas, four gained 3 million, 10 gained 2 million and 21 gained 1 million.

Deserving of our heartiest congratulations are the following brigades: 64th Anniversary of the October Revolution, of Havana City; Reynaldo Narango, of the aviation workers; Ernest Thaelmann, of Havana; Tio Ho, of Ciego de Avila; Jose Maria Perez, of Havana City; Manolo Zabalo, of Camaguey; Battle of Sanguily, of Villa Clara; and 11th Festival of Santiago de Cuba, all of which proved to be outstanding.

In agricultural-livestock transportation, 1,146 drivers attained the status of million-arroba vanguard, and 21 achieved 1 million arrobas or more hauled; while 155 were nominated for the Jesus Menendez medal.

Conveying the sentiments of all the workers and our people, we congratulate on their behalf these heroic men and women from the National Union of Transportation Workers.

The contribution to the nation's economic development made by the workers of this sector is unquestionable, as are the constantly increasing accomplishments of our revolution in all areas; and this irreversible example annoys the imperialists.

Every success of the working class of Cuba and the world, every advance of the national liberation movements and every success of the world socialist system irritates the imperialists and their lackeys.

These exploiters, merchants of the blood and sweat of others, have not learned the lessons of history.

We are working zealously to build a better world; we want to produce increasingly not to make a few increasingly wealthy, but rather to meet the needs of all the people to an ever-growing extent.

We are working for a world without exploitation or exploiters, in which there is no racial or sex discrimination, and in which man may be a brother of man.



For this, we need peace, but that is opposed by the capitalist, imperialist forces and their international policeman, Yankee imperialism, which has never abandoned the insane intention of making the course of history turn backwards.

The Yankee government, representing the most reactionary interests of financial capital, is again singing the songs of conquest and destruction, orchestrating constant provocation against the world socialist system, particularly its leading, unshakeable backer, the Soviet Union, attacking and preparing attacks on the people who have just become politically liberated and who are trying to free themselves from the economic dependence imposed on them by foreign domination, such as those of Nicaragua and Grenada, and intervening in, and lending its support to the reactionary and fascist governments, so that they may repress the revolutionary movement of the oppressed masses.

Together With All Our Daily Effort to Develop Production, There Must Be the Most Steadfast, Determined Participation in Defense

In particular, it is redoubling the threats and aggression against our country, a hardy, virile example of human liberty and dignity in this part of the world.

For this reason, together with all our daily effort to develop production, there must be the most steadfast, determined participation in the defense of what we have built with so much toil and effort and which belongs to all of us.

Fidel appealed to the people to join the Territorial Troop Militias which, together with the regular and reserve units of our glorious FAR [Revolutionary Armed Forces], constitute the armed branch of the Cuban revolution.

In response to this appeal, the transport workers have also stepped forward, joining their units. We must prepare ourselves in the same way for defense as for production. In the extent to which we guarantee the defense of our conquests in production, those conquests will be safe, and we shall be able to continue working for new victories of socialism.

We want peace in order to work, but if the imperialists force war on us, we shall counter their songs of conquest with the mournful songs of machine gun fire that Che mentioned, with guns clutched by the hardy men and women who are building the socialist Cuba of today, wielding aloft more staunchly than ever the teaching of the Bronze Titan: "Anyone who tries to seize control of Cuba will find the dust of his land drenched with blood, if he does not perish in battle."

Comrade transport workers, on your day, we congratulate you on behalf of our party for the success that you have attained. The revolution has not yet ended; we have progressed only along a section of the long road to the construction of socialism. You have a major role in this endeavor. We are certain that you will manage to play it with honor. The confidence that the party has in you is unswerving, because you have proven it with deeds. You will never betray this confidence.

Long live the transport workers and their national union! Glory to the heroes of Moncada! Long live our commander in chief, Fidel! Fatherland or death, we shall conquer!

## Managing Economy Problems

Havana GRANMA in Spanish 14 Jul 81 p 2

[Speech delivered by Jorge Risquet, member of the Political Bureau and Secretariat of the Central Committee of the Communist Party of Cuba, at the close of the courses at the Higher Institute of Economic Management, on 11 July 1981]

[Text] Comrades, male and female, of the Chair, distinguished guests, comrades, male and female, who are graduating today:

It is a personal pleasure to attend a function of this nature, at which the profoundly internationalist nature of our revolution is made evident.

The presence here of cadres from other fraternal African and Latin American nations who have for several months shared with ours the experiences of socialist construction in our fatherland has enabled us, modestly but sincerely, to put in their service Cuba's experience, its accomplishments and limitations, which is an expression of a cardinal principle of our party: proletarian internationalism.

Internationalism has many manifestations: solidary in battle and combat, sharing the trench and rifle in the war against the common enemy, and lending fraternal aid, technical assistance and cooperation in peace.

In each and every one of them, our people, guided by the party and Fidel, have felt in the innermost recesses of their revolutionary fiber the deepest satisfaction and the most complete rejoicing when it has been incumbent on them to engage in internationalist action, whether in the battlefield, the area of medical assistance or education, or any other aspect of the construction of the new society.

For the past several years, it has become a tradition, in July, for this institution to graduate a class of economic management cadres for our country and for other fraternal countries, in honor of the heroes and martyrs of the storming of Moncada.

One of the major goals for the 5-year period from 1976 to 1980 was the establishment of the Economic Management and Planning System, a strategic tool for the construction of socialism in Cuba.

Created and directed by our party, the National School of Economic Management came into existence to undertake an extremely important basic task: to prepare our leadership cadres on an emergency basis for the practical application of the system's elements.

And as Comrade Fidel noted, in this very hall, on 16 July 1976, the school created a great example of how work is done under socialism: With a keen desire to fulfill the party's mandate in its entirety, with only a few cadres of its own, and evoking the enthusiasm to achieve the cooperation of many other cadres and officials, it performed a task that may have seemed impossible to many:

To hold four types of parallel courses on an emergency basis, to train the heads of enterprises of national subordination; to train teaching cadres for other

institutions; to prepare management cadres on the ministerial level; and to retrain all the economic personnel of the enterprises.

In addition, the school assumed the task of founding, directing and controlling a system of Economic Management Schools in all the provinces.

Today, the evaluation that we can make is truly impressive:

A total of 10,101 cadres trained in the 5-year period; 5,608 of them in courses for heads of enterprises; 3,576 in courses for assistant economic heads; 290 teaching cadres; and 627 ministerial managers.

Of those 10,101 cadres, 28.5 percent, that is, 2,887 attended this national school.

Since last year, postgraduate courses have been offered.

Furthermore, this institution renders internationalist assistance to other fraternal countries, not only graduating cadres from its classrooms, as it is doing today, but also rendering on the spot assistance. There are teachers from this center in several towns of the People's Republic of Angola and in Mozambique.

The school is also participating with other CEMA [Council for Mutual Economic Assistance] countries in research work on the science of management.

Over a year ago, through its own effort and dedication, the school created a new specialty on a higher level in the country: a degree program in economic management, something which prompted the Executive Committee of the Council of Ministers to convert it into a Center of Higher Education, starting in the last course.

And, giving us another example of accomplishment, Comrade Rector Rosendo informed us in his address that, starting with the next course of 1981-82, the degree program will begin in provinces, depending, understandably, on the standing attained by each of them, so as to be able to offer higher level studies.

At this point, it is worthwhile stressing the importance to the development of the socialist economy of the suitable preparation of its economic management cadres; because, although this is something that we all recognize theoretically as being true, it is not always given the significance that it deserves in practice.

Excuses such as the impossibility of giving up one cadre or the other at the moment to become improved in this field, the lack of temporary replacements and other such arguments seek to justify, quite often, the failure to send to the school cadres who need to take the course because of the requirements of their work.

**The Socialist Economy Has a Conscious Nature in Its Development. The Laws and Regulations Inherent in Its Movement Do Not Operate Automatically**

The socialist economy has a conscious nature in its development. The laws and regulations inherent in its movement do not operate automatically but, on the contrary, prompted by the conscious influence of planning, finance, prices, economic

calculation, incentives and other tools that are available to the socialist state for putting the party's economic policy into practice.

This attests to the objective necessity for the preparation of the cadres responsible for major daily decisions for implementing the plan, increasing work productivity, introducing scientific and technical advancements, cutting production costs, streamlining production and other important areas wherein the improvement of the effectiveness of socialist social production materializes in a concrete fashion.

These important truths are known to everyone but, I repeat, they are sometimes ignored. As the rector pointed out, in many instances the agencies fail to meet the quota for attendance at the courses in the schools of economic management, and all the effort, dedication and potential accumulated in them are underutilized, for an enrollment far lower than the capacity that has been created.

In the course now ending, less than half the capacity of the schools throughout the country was used. If there had been students, we could have doubled the number of graduates from this course.

In view of this problem, the party's leadership is making a concrete study of measures to be adopted to guarantee the preparation of the management cadres, as was stated at the First and Second Congresses, and in accordance with the critical importance that it holds for the implementation of our economic and social policy.

In this connection, we must stress something that was mentioned previously: the importance of having the quality and timeliness of the institute's educational instruction process associated with practice.

As Marxism-Leninism has taught us, practice is a source of confirmation and constant enhancement of theory. The practice of socialist construction is guided by our scientific ideology, embodied concretely in the party's program platform, and in the resolutions and activity of its leading organs; and it is manifested in work centers, factories, farms, shops and construction brigades: in short, in the daily activity of our country's work collectives.

The association of the instruction with this practice in an institution such as this has an organic nature, inherent in its very existence, in order to avoid scholasticism and other deviations from our reality. And in the institute, practice has a concrete form, through the course work, which forces each student to link theory with the improvement of his management work. At the same time, it forces the instructors to become familiar with the practice in their guidance and evaluation of the students, while at the same time enhancing their assets in the theoretical field.

This policy of constant development of the institution to improve its faculty, its instruction and its courses is a feature that we must oversee and provide for its strictest observance, applying it to the other schools in all the provinces as a cardinal principle of their work.

This association is supplemented by other types of concrete assistance to state agencies, management research and other types of scientific and technical work.



Another point that seems necessary for us to emphasize is the development of a literature of our own in these matters of economic management, which will bring to the cadres on all management levels, in a clear, precise language, the problems of economic construction, and which will discuss in concise fashion the practice that they must undertake daily.

And this appears to us to be one of the suitable places for that, because there are here, on the one hand, the teaching cadres which concurrently possess the theoretical knowledge for insuring the foundation and the scientific elements afforded by research on practical problems and, at the same time, the necessary teaching experience for making them understood; and, on the other, there are also the cadres taking courses at the center, whose incorporation into the theoretical development of their management experience constitutes an essential element in this process.

We must not forget what was stated in the main report to the party's First Congress, noting that the success of the system will depend on the workers' mastery of it. And in this respect that are still great accomplishments yet to be made.

Comrades, male and female:

Since we are discussing the Economic Management and Planning System, it is fitting to mention certain situations. In recent years we have been giving a greater impetus to material incentives.

The Proper Combination of Material Incentives and Moral Incentives Is One of the Principles on Which the Economic Calculation Is Based.

As you know, the proper combination of material incentives and moral incentives is one of the principles on which the economic calculation is based.

We mention combination, because there is no contradiction between the two types of incentives; inasmuch as the workers who accrue the best results in their work activity will always be those who will receive the respect and recognition of all our people, but they are also those who deserve a higher income as fair payment for the work contributed.

The same thing holds true for the work collectives of the enterprises. Those fulfilling the plan and improving the efficiency of their economic management are the ones receiving the honors and recognition in connection with socialist emulation; but they are, in turn, the collectives which deserve to form and distribute the material incentives funds. With regard to these mechanisms for incentives, especially the ones associated with material incentives, we have been improving some and incorporating others, based on the resolutions from the First Congress on the Economic Management and Planning System.

I say this because, as you know, material incentives under socialism are given in three different ways:

The wage, which is the principal or fundamental form of incentive; the wage bonuses, which are the moving portion of the wage and are accrued essentially on the basis

of each workers' individual results; and the material incentives funds, based on the earnings of the enterprises which, although all of us usually call them an award, have, in turn, two types of application: the awards that are given individually to each worker, and the portion allocated for measures of a collective nature, for sociocultural purposes and housing construction.

These influences or devices of the economic calculation, together with the measures adopted on the market, offering more released products at varied prices, and the services which raise the personal consumption level of our workers, are, in the reality of our country, a manifestation of the Economic Law of Distribution, in accordance with the quantity and quality of the work.

Obviously, in a society such as ours, the standard of living of our people not only rises in relation to their monetary income, but some of their main necessities, such as medical and hospital care, and education, are provided for by the society, free of charge for all, without consideration of the individual contribution of each person.

It is important to take this fact into consideration in order to understand why, under our present conditions, a portion of the fulfillment of the needs of each worker must be indissolubly linked with his work contribution; because, to enable the society to solve problems so vital to the people as the ones cited, it is essential that our production be greater and our productive efficiency higher.

When matters are viewed thusly, it becomes obvious that all those who, with their work, contribute most to the welfare of everyone will receive, individually, a larger income and, in fact, will have a greater personal consumption.

Since the resolutions from the 13th Labor Congress, we have been taking major steps in our country to associate to an increasing extent the workers' wages with the results of their work; but the measures relating to wages have received their greatest impetus in recent years mainly from the approval and implementation of the General Wage Reform, which currently benefits over 2 million workers. Combined with this, a consistent policy on work organization should result in a rise in productivity.

As a wage supplement, there has begun, in turn, the use of bonuses in the various enterprises, associated with overfulfillment of the standards, the quality of production or service, savings of energy, fuel or raw materials, etc. At the present time, over half a million workers are opting for bonuses.

The most innovative aspect of our material incentives system is the award, because we began using it virtually the first time in our country in 1979.

The award is a necessary supplement to the material incentives system because, through it, each worker is associated with the results of his enterprise, and therefore, the individual interest of each worker is associated with the collective interests; while, on the other hand, there is achieved the necessary association between the collective's interest and the society's interest, thereby causing the social interests to coincide with the individual interests.

Obviously, in a society such as ours, wherein the fundamental means of production belong to the people, one works and produces for the sake of the people, to

improve the people's living standard and to meet their ever-growing needs; and this means that the interests of the entire social productive apparatus depend on every worker's finding his own needs met to an ever-increasing extent.

But, although this is true and, therefore, in the final analysis, the interest of each individual always lies in the interests of the society, it is nonetheless true that this close relationship must be felt by the worker and encountered in his daily activity, with each prefabricated part that he puts in place to build a new factory, school or dwelling, or while at the steering wheel of a truck.

From Each Drop of Sweat Converted Into the Forceful Energy of a People Shaping Their Own Future Comes the Wealth That We Have to Raise the Living Standard and Undertake the Development of Our Economy

From each drop of sweat converted into the forceful energy of a people shaping their own future comes the wealth that we have to raise the living standard and undertake the development of our economy.

As our sweat becomes converted into more products, into our saving of the material resources at our disposal and into our conversion of each unit of toil and resources into more goods for the society, we shall be making our economy progress, constructing the fatherland's bright future more rapidly.

Returning to the subject of the award, let us recall that it was first used in 1979, in 191 enterprises, and currently includes 441, representing 18 percent of the existing enterprises. There is a plan to have all the enterprises included in this mechanism by 1985.

In 1980, there were 203 enterprises included in the system of incentives based on profits, and of that number 102 enterprises, that is, 55 percent of those included in the system, actually created funds. These enterprises created an incentives fund of 14.1 million pesos, 9.4 million for individual awards and 4.7 million for sociocultural projects. The average award per worker in these enterprises was about 60 pesos.

As one can observe, the percentage of enterprises which really created funds is low. This is due to the fact that, in this mechanism, the established regulations are aimed at stimulating a real growth in efficiency. What is being rewarded are results, not efforts. It must be realized that the award is a right that is earned each year, by proposing more intensive plans, and successfully implementing them.

At times, some comrades have noted that the workers in the enterprise expended a great effort, but the plan was not fulfilled for reasons dissociated from the desires of the collective.

As we have remarked, what is being rewarded is the result. If the society has not received any benefit, because of the failure to fulfill a supply plan that affects the entire chain of production, there is no reason to reward that enterprise, even though the effort of the work collective is recognized morally.

How can an award be given to a collective for a result that the society has not accrued?

Where would the funds for that award originate?

It is obviously fitting to stress also that this requires greater stringency in the entire planning system, whereby the enterprise's plan actually has an acceptable degree of assurance insofar as the main material resources are concerned; that is to say, the plan is intensive, but possible to fulfill, that the worker does not feel defeated before starting to work, that he knows that the task awaiting him is difficult, but that, with determination, effort, and intelligent handling of the material and labor resources, it can be achieved; that he understands that those efforts are necessary.

After all, the plan is fulfilled in the enterprise, and plays its part in the same degree to which it wields a mobilizing influence; because our work collectives are not moved by material influences alone. The latter are necessary and have to be used, but there is a revolutionary integrity and conscience among our workers; and hence they dislike feeling that they are part of a collective which did not keep its commitments to the society, reflected in the plan.

The comrades who work in all of the nation's economic areas, especially those working in the Central Administration system, must have more contact with the realities of each enterprise, and not merely calculate the potential capacities of a factory from an office, but rather obtain them there, in contact with the workers, listening to their recommendations and suggestions.

Therefore, it is important, in the planning process, to pay special attention to the worker's participation in devising the plan. This step in the planning process cannot be considered from a formal standpoint because it is without question one of the most important steps.

Those who produce, those who create the wealth of the society, are the only ones who can succeed in fulfilling the plan, through their effort. Hence, when their suggestions cannot be incorporated into the management's figures, it is compulsory to return and give them a convincing explanation, with grounds, of the reasons underlying the management's decision in setting such figures for that enterprise.

In an economy such as ours, in the process of executing the plan, unanticipated situations may arise stemming from our high degree of dependence on foreign trade; but these instances are explained to the workers, and they understand them. What they cannot understand, and never will understand, is the setting of a production figure for them which cannot be achieved, and finding themselves deprived of the award because of mistakes in planning; and, what is even more distressing, suffering the injustice of being pointed out as a collective that does not fulfill its plan.

A recent instance, which necessitated my intervention, was that of the production figure this year for the Nuevitas cement factory. That factory needed a thorough repair this year because, during the previous years, there had been a break in the scheduled repairs for the sake of increasing production. For this reason, a lengthy stoppage in the furnaces was required; and, consequently, the available time was reduced and the year's production would be less than that of the year before.



This is an example of bureaucratic planning which creates on paper efficiency indicators which are known in advance to be impossible to attain.

In contrast to this, the production figure set for the new cement factory in Cienfuegos was far below the real potential, the goal that the collective had proposed for itself. In this case, the workers have proposed to produce 60,000 tons more than stipulated in the plan, and there is every indication that they will succeed in doing so.

There Must Be a Battle Against the Nice Planning on Paper Dissociated From Reality, Against the Office Planning Deaf to the Collectives' Opinions

There must be a battle against the nice planning on paper dissociated from reality, against the office planning deaf to the collectives' opinions.

It is obvious that the award is linked with another phenomenon wherein the party, the organs of administration and the union can play a highly significant role: the protection of the enterprises' autonomy. The collective of an enterprise is entrusted with a certain productive responsibility through the plan. The award gives an incentive for the efficient fulfillment of this plan. However, so that they may meet this requirement, the members of the collective must be given the authority to carry out and direct the production, putting in motion all the devices that lend it efficiency, and developing the creative initiative of the masses, who are the ones who know what can be done and what cannot be done.

The enterprise's autonomy does not mean that it operates without regard for social interests. These interests are reflected in the plan approved by the higher entities. It is a matter of giving the enterprise freedom of action in the realm of economic management, in the realm of administering the resources placed at its disposal, for the purpose of achieving greater production goals with minimal resources.

Taking advantage of the fact that there are present at this function comrades very closely associated with the management of our enterprises, we wish to point out that many heads of enterprises do not probe deeply into economic analysis, for they do not gage the results of their enterprise on the basis of the economic indicators, but rather on the basis of fulfillment of the production plan alone, focusing all their attention on the enterprise's technical efficiency, and viewing matters related to costs, productivity, profit, etc., as "secondary" matters that are within the jurisdiction of the economic deputy head and the area managed by the latter, not as the enterprise's principal activity, its reason for existence.

It is nonetheless true that even the echelons higher than the enterprises, including party levels, bear some of the responsibility in this regard, because they make more demands on production than on the fulfillment of the technical-economic plan as a whole.

Even our press frequently reflects the fulfillment of the plan based on the fulfillment of just one of its categories, that of production; and the plan is not viewed as a group of categories that must be harmoniously integrated. Apropos of the press, I would like to point out that the propaganda effort related to the

Economic Management and Planning System expended by our party's main organ, the newspaper GRANMA, in its daily section written as precisely as it is instructively, combining general topics with concrete examples of the economic gains made by the enterprises and cooperatives, is praiseworthy.

On this occasion, we wished to comment on these problems and stress the need for paying attention to the efficiency of our economy; because it constitutes a basic, fundamental objective for our country and it is in order to attain it that we are making all this effort for the establishment of the SDPE [Economic Management and Planning System].

As Fidel remarked in the main report to the Second Congress, during the current 5-year period, "We shall strive to develop and improve all the mechanisms in the system to a maximum degree; and it is a revolutionary duty, a political duty of everyone: the party, first, and the central state organs and entities, the enterprises, the workers, the mass organizations, the economic and administrative cadres, and all the leaders of our economy, to strive in a consistent manner, and do the maximum so that we may fulfill the intention and decision to implement the system, whatever the present shortcomings may be.

"It is one of our obligations to be constantly discovering in what respect we can strengthen and perfect what we are doing to achieve a constant increase in the efficiency of the economic management of the enterprises and of the economy as a whole."

This instruction from our party's first secretary, this directive from the Second Congress, must be a matter of concern and involvement for everyone, most particularly the cadres working in the economic area.

We hope that you, fortified by the knowledge you have acquired in this school, will be staunch combatants for economic efficiency. And we wish the beloved brothers from Nicaragua, Angola and Mozambique a happy return to their revolutionary fatherlands and success in the building of a new life.

We wish especially to congratulate the staff of instructors, the comrade rector, and all the workers at this national school and at the provincial schools, on the splendid work that they have done.

With the congratulations, our party pledges to adopt the necessary measures for the full utilization of the capacity of these schools, thereby making it possible for you to have twofold results in the forthcoming courses. Let me put it this way: We must insure the top quality human raw material that this wonderful creator of economic cadres needs.

We do not want to miss this opportunity to express our gratitude to the group of Soviet instructors who have offered us their advice, with so much wisdom, solicitude and dedication, making a decisive contribution to the constant enhancement of the quality of the educational work in this university center.

Comrades, male and female:

The present slogan is production and defense. This means that, at the same time that we are preparing ourselves to confront and defeat imperialist aggression, at the same time we are ready, if the Yankee troops dare to invade us, to convert our entire country into an enormous trench in the defense of our most unsullied ideals, in the defense of our sacred conquests, we must also be ready to make each one of our job sites a trench as well, in which, every day, we force that age-old enemy, underdevelopment, to recoil.

Every unit that we save in resources, every day that we advance the starting of an investment, every day that we achieve prompt dispatch in sea and land transportation, is another step that we are taking toward a stronger and more consolidated economy, which will enable us to better undertake the tasks of the construction of socialism, making it possible for our combat flags to wave increasingly higher in our fatherland, so that we may continue to be the exemplary people who never gave in to the imperialist threats, and who managed to forge ahead in their economic development despite the blockade and the difficult conditions that we inherited as an underdeveloped country, with a soil poor in natural resources but rich in integrity and courage, and in selflessness and sacrifice.

Long live Marxism-Leninism!

Long live proletarian internationalism!

Long live Fidel!

Fatherland or death!

We shall win!

2909

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## HAVANA COMMENTS ON VARIOUS INTERNATIONAL ISSUES

## U.S. Firms, Central America

Havana PRISMA LATINOAMERICANO in Spanish Jun 81 p 2

[Article by Carlos Mora Herman]: "End of Banana Empire"]

[Text] A trio of U.S. transnationals: United Brands, Del Monte and Standard Fruit (the last a subsidiary of Castle and Cooke) controls more than 70 percent of the banana trade, estimated at \$2.5 billion annually.

The firms which make up the banana empire came into being at the end of the last century, when Minor C. Keith founded, under the laws of New Jersey, United States, the United Fruit Company (UFCO), which later would be known in the language of those exploited as "Manita Yunai."

The establishment of these enterprises was carried out by obtaining huge expanses of land and tax exemptions and customs privileges granted by corrupt governments. In exchange for these "facilities," the transnationals constructed railroads, ports and telegraph communications, which in theory were to contribute to the development of the country, but which in reality served to help them plunder the country's wealth for the great mother country.

This trade grew with the invention of the refrigerator ship.

The transnationals introduced scientific methods of cultivation, modern technology, fertilizers and pesticides, thus achieving very high yields.

At the same time, the working conditions of the thousands of native men and women employed on the plantations were dreadful.

In Nicaragua, for example, men and women worked barefoot in exhausting shifts, exposed to many diseases (hernia, foot fungus, skin and eye infections, varicose veins) caused by the conditions and the lack of medical attention and safety measures, as well as by the use of pesticides dangerous to humans, such as Dithane M25 (which attacks the nervous system) or Furadan, the use of which is prohibited in the United States.



One of the 17 banana plantations in Nicaragua was called, ironically, "El Paraiso" [Paradise] (the workers called it "the poor people's hell" because of working conditions there, which were similar to those on the other 16 plantations).

In the last 20 years, as the struggles of workers against the banana transnationals have increased and even expropriation has been discussed, Standard Fruit, the firm which operates in Nicaragua, legally deeded the land to members of the local bourgeoisie, who operated the plantations, paid the company rent for the use of equipment and other things and sold it the bananas.

That was a smart move for the transnationals. On the one hand, for a minimal economic sacrifice, it prevented their image from deteriorating even further and, at the same time, when the market price of the product dropped, they reduced their purchases from the owner of the plantation, who then assumed the loss at the expense of the workers, who were laid off by the hundreds.

On the other hand, the owners of the 17 banana plantations, organized in the Nicaraguan Association of Banana Producers (ANPB), found themselves collectively in debt to Standard Fruit to the tune of more than \$10 million.

Within the campaign begun by the Nicaraguan bourgeoisie against the revolutionary government, a destabilizing plan was implemented. This plan consisted of provoking a crisis on the banana plantations. The workers charged that the owners were trying to destroy the plantations. The workers charged that the owners were trying to destroy the plantations, firing key technicians and refusing to control insect infestations. The company began to lay off many workers without notice.

The newspaper LA PRENSA, organ of the most conservative interests in the country, launched a campaign saying that Standard Fruit was leaving Nicaragua forever, that exportation of bananas was being stopped and that thousands of workers would be laid off, income lost and the domestic market saturated, with a resulting drop in banana prices.

The revolutionary government responded to all that by nationalizing banana production and announcing the creation of a State Banana Enterprise.

Immediately a government delegation went to negotiate with the U.S. transnational Castle and Cooke (of which Standard Fruit is a subsidiary).

LA PRENSA spoke of "violation of the principles of freedom of enterprise within the mixed economy promoted by the revolution."

And Castle and Cooke, in view of the possibility of losing the whole thing, agreed to negotiate and arrived at an agreement with the delegation last 12 January in Los Angeles, California.

The transnational will sell its stock to Nicaragua at a cost of \$3 million, payable in 5 years without interest, through a loan to be granted by the firm itself. In addition, Standard Fruit will continue buying Nicaraguan bananas at a higher price than at present, subject to readjustments according to rising production costs, which have increased in the last few years at a rate of 10 percent annually.

PA PRENSA had to backtrack and praise this agreement. Nicaragua, with its still dependent economy and having neither a transportation system nor a distribution network for a product as special as the banana, lacking the technicians to deal with the development of that natural resource, acted with excellent judgment, struck a tough blow at internal reactionaries and turncoats and gave the imperialists a lesson in firmness and valor.

It can be said that in the land of Sandino (who was also a banana worker in his youth), the empire has ended, and that Nicaragua has now ceased to be a "banana republic."

#### Mitterrand Victory Hailed

Havana PRISMA LATINOAMERICANO in Spanish Jun 81 p 21

[Article by Irma Caceres]: "Hope Triumphs in France"]

[Text] The new president, Francois Mitterrand, faces during his term the complex task of keeping the promises made to the voters of the substantial and beneficial political, economic and social changes contained in his program of "110 Proposals for France."

France's first socialist president in the last quarter century received a 51.75 percent majority of the votes, resulting in the defeat of his strongest opponent, incumbent Valery Giscard D'Estaing, who served for 7 years.

Mitterrand's advantage of over 1 million votes is almost three times greater than the vote received by Giscard himself in 1974 and much larger than was predicted by observers, and means a significant victory for the country's future political life, without necessarily being linked to the phantom, used by the right, that it is hoped to begin "a communist trend."

The upset achieved by the Socialist Party, which at the end of the first round gained the support of the Communist Party and other groups, ends a long struggle by the French left to come to power, one which will play out yet another scene when legislative elections are held this month.

Mitterrand, 64 years old, must have the support of the majority of the National Assembly (where Giscard has an advantage of 91 seats) to be able to carry out his broad program which, in the opinion of many, gives almost 2 million unemployed the hope of getting a job and workers the possibility of retiring 5 years earlier, in addition to other social benefits.

Mitterrand's program, announced last January, began to gather strength as last month's elections approached, and the polemics concerning immigrants, women's rights, information, unemployment, economic recovery, justice, taxes and international relations took on a national character.

In recent months, the Socialist Party has used as a weapon the seriousness of the country's plight as inflation reached a level of 12 to 14 percent and unemployment 7.3 percent, realities which the right could not hide.

For this chaos the socialists blamed the policy of Giscard D'Estaing, who in their judgment was "in power too long."

Of the "Proposals for France," 13 are devoted to international policy, to the principal problems affecting the world, in many of which the Giscard administration had a hand in one way or another, and in some of which it was involved in a manner somewhat less than elegant.

For Mitterrand, some of the outstanding problems are discussion of the question of disarmament and reduction of the armed forces and of tensions in Europe, these last aspirations contrary to the hopes of the United States and of NATO. For this reason, it does not appear that these two parties will find in Mitterrand an easy listener for their intentions to increase the budget for the military pact at the expense of the European allies and to install new offensive weapons on the old continent.

French government administrations have maintained close ties with several countries of Africa, Asia and Latin America, regions where in other times the empire imposed relations of colonial domination. For the new president these ties "must not exclude the independence of the people."

With respect to some areas considered key regions in today's international politics--the Middle East, among others--the French president expressed some opinions which might be considered argumentative, such as consideration of the resumption of arms sales to Israel, interrupted by France during the 1967 Arab-Israeli war.

However, the president-elect strongly criticized the sending of French troops during the Giscard administration to various African countries, some of whose governments do not enjoy popular support. He also announced the increase of economic aid to this area.

If we are guided by the majority of his statements, one would have to recall those made concerning the contribution France will make to the new Nicaragua in response to that country's legitimate effort to diversify its international relations, or also in the case of El Salvador, where he leans toward a negotiated solution which would end the war which has cost the Salvadoran people so many lives.

Socialist deputy Michel Rocard said that if his party came to power, France "will abandon its present policy of gendarme and will prohibit the sale of weapons to the fascist dictatorships of Latin America."

Mitterrand will have to put forth great effort to fulfill his promises of contributing to a favorable change in the countries of the Third World, in particular with respect to the moratorium on the debt of the poorest states and, on the bilateral level, to establishing cooperation which will permit the development of those countries.

Obviously the plan proposed by the new French president appears ambitious, from the internal as well as the foreign point of view, in having to confront immediately the opposition of politicians as important as Giscard himself and of financial and military groups who have always dreamed of maintaining the old privileges and powers of colonial France.

If Mitterrand succeeds in getting his program under way, he would already be bringing to reality the hope of millions of Frenchmen tired of announced reforms and benefits which fade daily into the distance.

#### New Development Model Needed

Havana PRISMA LATINOAMERICANO in Spanish Jun 81 p 58

[Article by Jose Bodes Gomez: "Let Us Descend From the Stratosphere"]

[Text] Many theories about the development model for the countries of Latin America and other regions of the so-called Third World have failed in recent decades due, among other things, to the fact that in essence they have tried to reproduce processes similar to those of certain industrialized powers.

We can see perhaps the most dramatic example of this in our own region. For years the politicians and economists who favored reforms believed that the "consumer society" could be grafted onto Latin America and that the problems of underdevelopment could be solved through schemes transplanted from the United States and Western Europe. At the end of two decades overflowing with studies, recommendations and promises of well-being, the theorists of "peripheral development" themselves have had to confess their discouragement and even their intellectual inability to come up with another plan for development.

The model arose from a historical error and is rooted in the fact that certain patrons (the United States, Great Britain, France, etc.) came into being as industrialized powers exercising a predatory policy beyond their borders. In addition to technological advances, they progressed thanks to the cheap raw materials they extracted from the underdeveloped countries. These countries, logically, have no other peoples to exploit and, in addition, they themselves continue to suffer in many cases the conditions imposed by imperialism, colonialism and neocolonialism.

But the transplanted model had another serious defect: its conception of development is basically economic, without taking into account the social changes required by an effort of this nature. Even the developed capitalist countries, in spite of their strong economic potential, have not been able to solve problems like unemployment and marginal areas of poverty, since they, too, have not made the changes necessary to offer equal opportunities to all the people.

The deformed and dependent economic growth which we have seen during the last few years in some countries of Asia and Latin America has not succeeded in achieving the desired development objectives, because it has taken place amid stratified societies in which an unjust distribution of income separates a privileged minority more and more from the rest of the social sectors.

One characteristic of this false development model is its accent on the industrial sector while it abandons the remaining elements of progress, such as agriculture, education and public health. This deformity is the result of dependency, since these are the countries chosen by the capitalist powers and their transnational monopolies for applying their so-called industrial redeployment. The abundance



of cheap labor and of easily manipulated political regimes form an auspicious framework for installing those industries which, because of their already antiquated technology or their contaminating effects, are not wanted in developed areas.

UN statistics reveal that for every dollar invested in the underdeveloped countries in the last decade, foreign capital extracted, on the average, \$2.4, and the profits went to fatten the purses of the parent companies. In the case of transnationals based in the United States, the ratio was even greater: \$1 to \$4.5.

An unexpected element which began to complicate the development of the so-called Third World countries came in the 1970's with the sharp rise in petroleum prices. Here again one can see the differing conditions under which the older powers and the young states have had to undertake progress. Over and above the dividends obtained from sacking smaller countries during the colonial era, those large nations have benefited from the rise and peaking of the era of cheap hydrocarbons, while the underdeveloped countries in our own era will have to pay 10, 20 and even 30 times more dearly for the energy resources they need for their economic takeoff.

The task of development, both economic and social, has thus become a more complicated and difficult process than ever before in history.

The economists and social scientists of our countries are facing this challenge. The development models cannot be drawn up in the abstract and applied mechanically. Each country has common characteristics by which it identifies with the rest of the underdeveloped world, but it is also accustomed to present specific aspects which require the intelligence and creativity of its professionals to solve. It will even be necessary to organize an integral policy which will protect the Third World from the "brain drain" practiced by the industrialized capitalist countries.

For many years many of our specialists have passionately debated how the new international economic order must be. The present situation demonstrates that, in spite of so many resolutions and recommendations from many resolutions and recommendations from many international forums, the older order continues to reign over a good part of the planet and--what is even more important--that in those countries where it has changed, it has been through bloody sacrifices and revolutionary changes which affect all areas of economic and social development.

It would not be idle, therefore, to recall here the words of such an experienced economist as Sweden's Gunnar Myrdal who, on a recent visit to Cuba where he noted the achievements of the revolution, advised his colleagues of the Third World that--while not ignoring questions of a higher nature--they should concentrate the best of their efforts and abilities on confronting the practical problems which underdevelopment brings to their respective peoples, such as illiteracy, disease, the extreme backwardness of rural communities, and the stigma of administrative corruption which survives in many of those countries.

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## POSSIBLE REFORMS IN PEOPLE'S GOVERNMENT NOTED

Havana JUVENTUD REBELDE in Spanish 23 Jun 81 p 2

[Article by Lazaro Barredo Medina: "A Concern: Why Not Extend the Holding of Accountability Meetings to Once Every 6 Months?"]

[Text] A few days ago at the accountability meeting for his delegate to the People's Government, a citizen proposed that the idea that either the period of time between these meetings be extended or that delegates be professionally trained so that they might better discharge their duties be raised at high government levels.

His proposal was applauded by the rest of the voters and different comments on this initiative, categorized by them as difficult, were made.

Certainly now, almost at the close of the first 5 years following the creation of People's Government committees, the need for reexamining the advisability or not of extending the period between the times municipal assembly delegates have to meet with voters to account for their actions is unquestionable.

Some 4 years ago on the eve of a term of National Assembly sessions during which the proposal to extend the holding of these meetings from once every 3 to once every 4 months, on these pages we outlined several arguments against extending the period by that much, given the fact that old bureaucratic habits and the brief existence of our representative institutions might distort the functioning of these committees through lack of experience.

Several years have gone by and under the circumstances it is appropriate to formulate a proposal to reconsider, in terms of current regulations, this important aspect of the People's Government, which allows for the most direct form of citizen participation in government affairs.

Having polled various delegates, there appears to be a consensus that it would be advantageous during the next term of office to hold only two accountability meetings a year with voters, that is, one every 6 months.

It could, however, be argued that holding these meetings every 4 months favors an atmosphere of pressure on the executive committees and local administrations to increase their effectiveness in solving those problems that weigh most heavily on the community.

But the evidence indicates that this is not so.

In the case of the delegates, not only because they work under tremendous pressure which makes their job difficult (starting with the fact that they not only have to make statements accounting for their actions), but also because of the operational problems that come up in messages from voters, their duties on work committees, National Assembly sessions, whose duties all lie outside the domain of labor and are oriented toward advocates of advancement, family and friends, etc.

One thing is certain. They devote week after week to this sort of activity in order to obtain better results and, when they begin to achieve them, they have to start all over again with meetings with the electorate.

In our opinion, this is prejudicial because it tends to create in some delegates a bureaucratic defense mechanism against raising issues at executive committee meetings and for reducing the volume of business handled by the local administrations.

Now in a municipality where they receive over a thousand proposals from residents the executive committee's activity is very complex because, involved in the large number of operational tasks awaiting it every day, it cannot then once a month fully discuss the solutions and replies offered by the local administrations and plan its job of governing.

And as a result of this, often — if not most of the time — such discussion has to be taken care of on an individual basis within a framework that does not go beyond the executive committee member who deals with the activity in question and who, therefore, to a certain natural and logical extent reacts, accepting what the local administrations tell him when the solutions or replies are good ones and when the replies are not very informative, full of red tape from one end to the other.

Then too, often the delegate receives them just a few days before the meetings with the electorate or rejects them and makes his report without these replies that convince no one, which sows lack of agreement among the townspeople, or includes them and provokes the irritation of the local citizens.

If the intervening period is extended, local operations will offer greater advantages for all.

Because he will have more time for his duties, the delegate will be able to demand suitable solutions or replies before these meetings take place and have the option of discussing any disagreement with the executive committee and also, if he does not accept what the latter tells him either, he will have an opportunity to raise the matter before the assembly, a proceeding which is almost never possible at the present time.

And for the executive committee this would be an encouraging opportunity that would allow it to concentrate its attention to a greater extent on these proposals, direct its efforts toward those problems that are hardest to solve and apply more pressure on the local administrations.

Another issue that also requires discussion and possibly revision is the situation many delegates at present find themselves involved in, having to hold as many as six accountability meetings, which constitutes a burden, and furthermore subjects the mass organizations to tension during those days, what with mobilization, preparations, the transfer of furniture, the search for audio equipment, etc.

Why should not these five or six meetings be reduced to a maximum of two or three?

Perhaps this may not lead to a more thorough discussion of the problems, but it may avoid a certain parochial attitude which is noticeable even among the different blocks that make up a district, inclined as they are to measure the administration of the People's Government in terms of the one which determines matters where the voter lives, even though situations more serious for the community are being resolved three, four or five blocks from his home?

It will be a few months before the new term of office begins and perhaps with the experience of these past years the standards that govern the functioning of the local committees may be enriched. This is why we repeat that it is advisable to discuss these and other arguments, because of the repercussions accounting for one's actions to the voters has on these committees.

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## PREPARATIONS FOR CDR CONGRESS: NEEDED DOCUMENTS

Havana JUVENTUD REBELDE in Spanish 16 Jun 81 p 2

[Article by E.F.: "On the Documents and the Second Congress"]

[Text] Every CDR [Committee for the Defense of the Revolution] member ought to be on his best behavior because his organization's Second Congress is rapidly approaching. He will most directly participate at the important meeting through the discussion of two documents: the "Preliminary Plan for the Modification of the Bylaws of the Committees for the Defense of the Revolution" and the "General Assessment."

Every CDR has to gather opinions on the preliminary plan for the bylaws, regarding which it is in this democratic way being proposed that they be more flexible. They will also consider opinions on the general assessment, a document which contains outlines of more general and important plans for the future work of CDR members.

To collect all the mass of information that is generated in the heat of the discussions on the above-mentioned documents, seminars will be required in all the provinces for the purpose of giving a detailed account of the orientations as well as to explain the use of the models established with such goals in mind.

In addition to the methodology classes of the seminars, a folder has been put together with the procedures to follow in adopting proposals and ideas on the preliminary plan and the general assessment.

We should point out that discussion of these documents in the CDR's has been simplified since the other management levels have been eliminated, that is, all CDR members will discuss the above-mentioned materials at block level.

Therefore, we must make every effort to guarantee a high percentage of attendance at the meetings to achieve our goals. As this edition is being circulated, the CDR's are probably debating modification of the bylaws. From 1 to 15 July they should be discussing the general assessment.

We make an appeal for quality in the proposals and suggestions both in terms of their content and the form in which they are presented, since the final editing of the document that is submitted to the congress for its final approval will depend on that.

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## REPORTAGE ON PARTY WORK COMMITTEES IN SUGAR MILL

Havana GRANMA in Spanish 13 Jul 81 p 2

[Article by Enrique Sanz Fals: "The Party Committees: a Sample of the Broad Possibilities This Method of Party Operation Offers"]

[Text] "The revolution brought the party into the world and now the party is carrying on the revolution. The party is its vehicle par excellence and the guarantee of its historic continuity."

Fidel

As the bylaws put it, the cells "are the foundation of the entire organizational structure of the party." This means that they constitute the cement, the most important link in the party's organizational structure.

In operating within the working class and among other workers, the cells become the primary basis for the elaboration and realization of party policy in all fields of its activity.

A generalized method of party operation among cells for the application of this policy is the creation of member and candidate committees to discuss and formulate proposals regarding the work district's most important problems.

The Antonio Guterres Sugar Mill of the town of Puerto Padre in the province of Las Tunas, the site of the main events for the 28th anniversary of the attack on the Moncada Barracks, is one of the worksites that has been applying this method of party operation with positive results.

There, over the past few years, relying on the result of the efforts of these committees, the party and the local administration have resolved various problems that involved production and the workers.

"To guarantee that more suitable decisions are made at cell meetings on matters of major importance that are to be the object of analysis and discussion, it will be necessary to previously do a job of searching for information and working out proposals that should be known by all members and candidates sufficiently in advance," The Regulations for the Party Rank and File Organizations notes.

And farther on that document specifies: "To accomplish the job of searching for information and working out proposals, the cell should assign responsibility for doing so to some of its members or candidates individually or it can with them create special committees appointed for that purpose."

The organization and introduction of the Fourth Brigade during the last cane harvest was, because of its importance and the fact that it was a new experiment, one of the things that required the full attention of the party at the Antonio Guiteras Sugar Mill, which is the country's biggest sugar producer.

"In the beginning," comrade Leonardo Reina Lopez, secretary of the Party Committee, said, "we thought that this task was going to run into serious difficulties because of its complexity and also the lack of understanding of some workers.

"The party discussed the matter at the mill and agreed to create a committee of members and candidates to conduct the study in question. Once this was done and discussed, it was submitted to the administration for consideration. On the basis of the completed study, the administration distributed new personnel into four brigades. Beforehand, they attended seminars and received practical training for the jobs they were to hold.

"Contrary to what we expected," the party leader went on, "we achieved good organization on all shifts, the new workers were quickly integrated and no difficulties arose."

Party leaders at the sugar mill pointed out that the committee did not limit itself to discussion of the matter presented for its consideration, but conducted polls among workers and their families to find out what they thought about it and tried to get everyone to agree on the introduction of the Fourth Brigade.

From the results of this effort, they reached the conclusion that workers are more productive with this new operational system, have more free time and the rates of absenteeism and accidents have dropped, among other positive factors. Furthermore, the creation of the Fourth Brigade enabled them to incorporate many young men and women into the sugar mill, very important factors there, since this revitalized the labor force, then largely composed of workers of advanced age.

This year the Antonio Guiteras Sugar Mill, which employs 2,480 workers, had one of its best cane harvest seasons, preceded by several good recoveries. During the last harvest it exceeded its sugar production quota, although it did not fill the two basic efficiency quotas: recovery and oil consumption.

In the industry there is a Party Committee with municipal powers that relies on 21 party cells and groups. Over the past few years there has been a notable strengthening of party rank and file organizations, whose membership at present amounts to 340 (33 are candidates), 225 of whom are workers directly involved in production, representing 66 percent of the membership. In 1957 there were 186 members and 13 cells; thus both figures were practically doubled, thereby carrying out the agreements with regard to the First Congress and the Central Committee's Fifth Plenary Session, held in December of this year, at which it was indicated that the number of party members in the sugar mills should be increased.

Another area in which the party has been active at the Antonio Guiteras Sugar Mill through the creation of party committees is that of those problems that affect the workers, such as housing.

Last year at the Party Committee business meeting a delegate raised the problem of housing and the need for adopting a plan to resolve the problems involved. After discussing the proposal, the assembly approved it and agreed to create a committee to conduct the appropriate studies and come up with proposals.

As a result of this committee's work and its recommendations to the administration, 19 housing units have already been completed, about 120 repaired and another 72 are being built with completion expected soon as a salute to the 26th of July. In homage to the epic of Moncada the construction of 26 beach cabins was also planned for the workers and the cleaning up and beautification of the mill town and its inner and outer streets.

Another problem the party committees have been working on is the quality of the sugar.

"Two years ago," the Party Committee secretary general noted, "when Fidel made an appeal to improve quality, we had serious problems at the mill with sugar quality. This situation was discussed and analyzed by the party at its meetings and a committee was formed composed of members and candidates with the most experience, among them 50-year-olds, to investigate the matter and then to inform the party.

"The committee's study enabled us to discover where the problems that affect sugar quality were. The necessary recommendations were made to the administration and, after discussing them, it set in motion a plan consisting of measures which succeeded in eliminating this problem with so important a quota. At that time we were one of the critical sugar mills as far as this was concerned. Today we are not.

"We must underline the fact," comrade Reina said in conclusion, "that all these successes were made possible through the efforts and dedication of the workers, who constitute a magnificent collective. When the party entrusts them with a task, they accomplish it with enthusiasm and self-denial. They are the basic protagonists of the modest successes we have achieved. Without them the fulfillment of this year's quota would not have been possible, nor will that of future quotas be so."

The work and achievements of the party committees at the Antonio Guiteras Sugar Mill are a sample of the broad possibilities this method of operating offers the party to resolve different kinds of problems.

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## INTERIOR MINISTER GETS CONGRESS' SUPPORT TO FIGHT TERRORISM

Lima LA PRENSA in Spanish 18 Jul 81 p 2

[Article: "Support in Chamber of Deputies for De la Jara Actions"]

[Text] The National Defense Committee of the Chamber of Deputies expressed its fullest support for the efforts being made by the minister of the interior, Dr Jose Maria De la Jara y Ureta, to eradicate violence and terrorism in our country and offered him total support for the police forces.

Previously, De la Jara, using graphs and statistics and during a statement lasting 90 minutes, discussed the problem of sabotage and terrorism in Peru. He went into details to emphasize that the problem was not new since, under the previous regime, there was intense extremist activity, but it was calmed down by the OCI [Central Information Office] and the SINADI [National Information Systems].

The minister explained that, due to the unrestricted freedom on the press which now exists, the public has learned of this kind of crime and thought it was "something new, unaccustomed, and a source of considerable anguish." The daily newspapers had picked up the concern of the people, who were demanding a "strong hand against the extremists."

He said that, nevertheless, he had not succumbed to the temptation of indiscriminate repression against the terrorists. "Yes, we took action against extremism, but without violating human rights and without having recourse to the emergency powers provided in the constitution. This was to demonstrate that democracy can defend itself without taking action which later on, perhaps, could lead to its fall," he stated.

He pointed out that, "by means of the activity of the police forces it has been possible to neutralize terrorist activity in large part," but he added that, "we are not hastily proclaiming victory since we do not believe that this negative phenomenon can be eradicated in a day or two." He noted that he is sure the police forces are acquiring greater effectiveness in this struggle and that their experience is increasing.

He reported that the departments of the country with the highest number of attacks were Lima, with 128; Ayacucho, with 122; Cuzco, with 57; and Junin, with 54. He also said that 328 persons involved in acts of sabotage and terrorism had been identified and captured.

He revealed that the total damage caused in attacks that had been fully investigated is close to 583,133,000 soles. He added that if there was quantitatively a large number of attacks, qualitatively the damage caused by them was not on a large scale.

## EDITORIAL VIEW ON 400 BILLION SOLES DEFICIT FOR 1981

Lima LA PRENSA in Spanish 18 Jul 81 p 14

[Editorial: "A Deficit of 400 Billion for 1981"]

[Text] The president of the Central Reserve Bank, Richard Webb, anticipates that the national budget in the present fiscal year will reflect a deficit in the order of 400 billion soles.

In LA PRENSA we had already stated that between January and April of 1981 Treasury receipts rose to 466 billion soles, whereas expenditures, during the same period, amounted to 586 billion soles, which reflected an adverse balance or deficit very close to 120 billion soles. It is enough to project the figure for the first 4 months over the rest of the year to conclude that, in effect, the deficit may border on and even go beyond 400 billion soles.

Now 400 billion soles is more than \$1 billion. If we recall, on the other hand, that the budget for 1981 is almost 2 trillion soles, it will be seen that the deficit now projected amounts to 20 percent of the budget. Those who are interested in more esoteric calculations estimate that the deficit will amount to 4 or 5 percent of the gross national product. There are those who fear it will rise to 8 percent of GNP.

Up to the present, an analysis of the deficit and of its composition has not been made public. It is not known how much of it pertains to the public enterprises which--as in the outstanding example of PESCAPERU [State Fishmeal and Fish Oil Production Agency]--are operating at a loss and must be maintained with money from the taxpayers. Economies as powerful as those of Argentina and Brazil can no longer support the dead weight of public enterprises which suffer deficits. Proportionally, that dead weight is still more onerous for a weak economy like ours. On the other hand, it has not been stated clearly and categorically to what extent the deficit is owing to subsidies which are still being paid to hide the true price of wheat, sugar, or rice.

It is probable that the budget for 1981, inevitably prepared in advance as soon as the democratic government was installed in office in order to forward the draft to the two chambers within the period of time provided in the constitution, was not really balanced, despite the clear mandate of Article 197 of the constitution: "No draft budget can be presented whose expenditures are not effectively balanced with receipt." If the last budget presented by former

minister of finance Javier Silva Ruete--amounting to 1 trillion soles--already reflected a deficit of hundreds of billions of soles, the budget of 1981 had all the more reason to reflect a deficit since its component figures at least nominally duplicated those in the 1980 budget.

It is also true that there have been unforeseen expenses, such as those which the conflict with Ecuador required. Thus, the decline in the price of metals, of silver and copper, principally, and even the decline in the price of oil--which demonstrates that not even OPEC can dominate the world market as it pleases--have contributed to lowering fiscal receipts. On the other hand, the president has pointed out that customs receipts are larger than expected, no doubt thanks to the freeing of imports.

It was specifically to analyze the problem of the deficit that the prime minister and minister of economy, finance, and trade, Dr Manuel Ulloa, has just met with Bicameral Committee on the Budget. He has expressed his confidence that there will be a solution to the crisis through the reduction of fiscal expenditures, the control of deficits in public enterprises, and most especially in the increase in production and productivity. All of that, of course, is much easier to say than to do. This is because meanwhile, and conscious that there is a deficit, the executive branch of the government will continue requesting from the Permanent Committee of Congress authorization to undertake new expenditures or to expand existing programs. In a word: The executive branch insists on requesting authorization for major expenditures, which is quite contrary to a reduction in fiscal expenditure which the prime minister himself proclaims or professes to proclaim in public.

If the president of the Central Bank keeps his promise not to go to the aid of the Treasury with more than 60 or 70 billion soles without any backing, one would have to ask oneself how a deficit of 400 billion soles is going to be financed. Will the more or less forced emission of bonds or other Treasury obligations be enough? If it is not, if the president of the Central Bank--an autonomous organism in accordance with the constitution--moves from his present position and sets in motion the printing presses to resolve the problem of the excess expenditures of the government, then not only will the problem of the fear-some inflation we are suffering from not be corrected, but it will be made worse. For the stability of our currency, there is no other remedy than balancing the budget. Inversely, disorder in public accounts translates into the debasement of the currency and, finally, into the persistent and accelerated rise in prices of which the inflationary phenomenon consists. Not long ago Chamber of Deputies member Luis Percovich--the future president of that chamber--predicted that the budget for 1982 would not be 2 trillion soles, as is that for 1981, but 3 trillion soles. That is certainly an awesome prospect, if one considers that the 2-trillion-soles budget already involves a deficit of 400 billion soles.

5170  
CSO: 3010/1652

## TRADE BALANCE DEFICIT REACHES 110 MILLION DOLLARS

Lima EL COMERCIO in Spanish 24 Jul 81 p A-16

[Text] Peruvian exports at the end of April amounted to \$1,032,000,000, while imports rose to \$1,148,000,000, leaving a trade deficit of \$110 million. [as published]

While exports during this 4-month period declined 17.3 percent, compared to the same period of 1980, imports increased 63.6 percent. These figures are provided by the Central Reserve Bank in its "Weekly Note." They involve the value of our foreign commerce but not the volume, which could be important for knowing whether the fall in our exports is due to the fall in overall value as well as to international prices for our raw materials.

Practically all traditional export products have undergone noticeable declines, with the exception of cotton, whose exports rose by 122.5 percent compared to the same period of January to April in 1980; coffee, which went up by 107.4 percent; iron and steel, which went up by 33.9 percent. Other metals, including gold and others of less significance, went down by 144 percent.

## Prices

With the exception of Pima cotton, all traditional products which our country exports have seen their prices fall in the courses of the first 6 months of this year, as follows:

Fishmeal has fallen from \$543.25 per ton in the last quarter of 1980 to \$478.77 per ton in June. Cotton has fallen from \$1.0524 per pound to \$0.9985. Colombian type coffee has fallen from \$192.30 per quintal to \$130.17. Arabica type coffee has fallen from \$121.13 to \$107.67. Sugar, which our country continued to fail to export, this year went down in price from 36.18 to 15.36 cents a pound. Copper has fallen from 89.19 to 74.69 cents a pound. Silver, on the New York market, has fallen from \$18.4388 to \$8.5467 per troy ounce. On the London market it has fallen from \$18.4748 per troy ounce to \$8.5632. Lead has fallen from 36.83 to 32.52 cents per pound. Zinc has gone from 36.30 to 37.47 cents per pound. Gold has gone down from \$828.47 per troy ounce to \$424.17.

In the period from January to April, 1981, the most significant export receipts were made up of nontraditional products which, during this period, totaled \$210 million, a figure which was 15 percent less than that during the same period of last year.



Another important category was the export of oil, valued at \$198 million, which had gone down in value by 30 percent. Silver followed it, being sold for \$192 million, compared to \$216 million during the period from January to April, 1980. Copper came next, with exports valued at \$166 million, reflecting a decline of 34 percent.

#### Imports

Regarding imports, the largest category consisted of capital goods, which were brought in at a value of \$454 million, or 39 percent of total imports of \$1,148,000,000 during the period from January to April. Next was the category of consumable goods, amounting to almost \$400 million (34 percent of total imports), and another category called other consumable goods, which amounted to \$101 million (8.7 percent of total imports).

In terms of food products, we imported a total of \$191.7 million, the most important categories being sugar, at \$81 million; wheat, at \$56 million, rice, at \$17 million; corn, at \$14 million; soybean oil, \$12.7 million; and milk products, at \$10 million.

5170

CSO: 3010/1652

## BRIEFS

MEDICAL COMMITTEE REVIEWS TORTURE--Attorney General Dr Gonzalo Ortiz de Zevallos stated that a committee of three doctors has been formed to investigate a complaint of torture of a young man, Edmundo Cox Beuzeville. In a statement to reporters, Dr Ortiz said that the medical committee, which will be headed by Dr Cesar Delgado, has been assigned to direct the investigation of the acts of torture alleged to have been committed against the young student. Ortiz de Zevallos said that the investigation is taking place on the basis of a complaint presented by the family of the student and with the support of the church. He remarked that in the course of the investigation the police officers involved in the arrest of the terrorist, Cox Beuzeville, will also be called on to testify. Ortiz de Zevallos arrived in Arequipa on 16 July to join those attending the Fifth Congress of Ministers of Justice of Spain, Portugal, the Americas, and the Philippines, who visited Arequipa for 6 hours. [Text] [Lima PA PRENSA in Spanish 17 Jul 81 p 5] 5170

CSO: 3010/1652

## PRESS CENSORSHIP, POLITICAL TRENDS VIEWED

Rotterdam NRC HANDELSBLAD in Dutch 1 Aug 81 p 7

[Article by editor Frans van Klaveren, "Press Censorship in Suriname Sign of Vulnerability"]

[Text] After the introduction of a curfew, the abolition of parliament, the suspension of the constitution by the declaration of a state of emergency, the government by decree of a special administration of justice, the banning of political parties, the Suriname government has proceeded to the establishment of press censorship. It is a measure which is logically connected with the recent developments in the country, where Surinamers are struggling for the first time in their history to develop their own form of government.

On 25 February 1980, a group of noncommissioned officers took over power in Suriname, as a result of a labor conflict. Administrators and high army officials disappeared temporarily behind bars, partly in case they were unable to escape. The new young military leaders had dared to take a leap in the dark. There were somewhat vague dreams about nationalism, honesty and enterprise, in short, summed up into the new concept "Surinamism": an effort which must lead to the awakening of the Surinamer as an individual in a society which would be worth devoting oneself to.

With that, the developments in Suriname run parallel with those of a number of Third World countries after the Second World War, where after liberation from colonial domination, the government in power, regarded as an outcome of the colonial past, was pushed aside by force of arms.

In the early days, it was not a question in Suriname of a revolution or a revolutionary process. Even the military spoke cautiously of an "intervention," a corrective measure for the old system.

In view of the fact that there were no fixed ideas about the way in which the renewing change should take place, a vacuum was created, in which a violent power struggle broke out. The military viewed the

tug-of-war from the distance, heard both sides and dominated the situation, the Uzi machine guns across their laps, sincere in their assumption that an end must finally come to the corruption and favoritism, which had flourished so luxuriantly.

## Two Fronts

In the middle of March 1980, this led to the appointment of the internist, Henk Chin A Sen as prime minister. That meant, moreover, that the power struggle expanded to two fronts: domestic, that is inside the army and the government, while outside groups of different affiliations watched for their chance to mould Suriname to their political image.

Meanwhile, Suriname liberated itself, in conformity with the pattern in other developing countries, with the form of government copied from that of the former mother country, which was able to serve for 5 years as a cloak for a bogus parliamentary democracy. It appeared clear--so the new order declared--that the Netherlands constitutional model was not valid in Suriname because it led to a network of corruption and concealed patronage.

## Constitution

One and one-half years after the coup, the situation appears to have stabilized somewhat, although the number one priority for the present leaders is remaining in power, which is necessary to be able to achieve the goals set.

That power is now in the hands of President Chin A Sen and commander-in-chief Desi Bouterse. Both have declared several times they want to return to democracy. However, as long as no new suitable constitution is drafted and consequently the laborious process of establishing a form of government, designed for Suriname, is delayed, an absolute government prevails. How long this "transition stage" will last, can hardly be answered.

C. D. Ooft, professor of constitutional law at Suriname University, has made an effort in this direction in an article on constitutional law after the revolution. He writes: "the situation has lasted long enough to reasonably carry out a definite program. But it should be as soon as possible to prevent the comfortable method of government from degenerating into personal power." However, he gives no opinion on the subject who determines the reasonableness of the time limit and who can act to make possible corrections. That assignment appears almost automatically to fall on the only institution in Suriname that still has--even though imperfect--opportunities for control: the press.



In those circumstances, may it be called a miracle that the press and the "new order" repeatedly clashed with each other? Criticism of a system always arouses a reaction of oppression and aggression which is directly proportional to the extent in which the established government knows it is vulnerable.

In the year before the coup, the Suriname press--at least by Netherlands' standards--was extremely moderate. Both newspapers as well as radio stations adjusted their remarks to their commercial and consequently political interests. News was often made with no other objective than to sound out an opponent in the article. In Aaron's time the press did not follow events, but was involved in them, and in so doing was an unmistakable reflection of a corrupt and diseased Suriname.

### Education

After 25 February, the military needed that same press to explain their motives for the coup to the Suriname people, which was not involved in any way in driving out the legal government, and get their enthusiastic support for it. The military leaders soon came to the conclusion that their action which had slowly developed into a "revolutionary process" had a chance of success if the press was given the assignment of educating the Suriname people. From that cooperation--especially because of the historic bond of interest of part of the press--hardly anything resulted.

During the course of the "revolutionary process," one controlling body after the other disappeared. However, a certain amount of elbow room remained for the press for a long time. A trick to avoid the constantly increasing repression consisted in taking criticism of policy in its entirety out of Netherlands' newspapers, so that no Suriname journalist could be held responsible for it. Still it happened time after time that journalists had to report to the Memre Boekoe Barracks to explain certain passages or reveal their sources.

Even for journalists with a sincere admiration for the developments in the country, it could not always be ascertained whether they acted in the spirit of the revolution, for what they considered news was soon, in the eyes of especially the military, an effort to undermine the new system.

That happened, for example, to the journalist Frank Wijngaarde, fiery supporter of the new order, who was the first to publish the report that Minister A. Haakmat would resign. When Wijngaarde, after being called to account, left the barracks somewhat bruised several days later, he could only confirm that he had been right. Haakmat meanwhile had resigned.

The daily DE WEST could not appear for several days recently after the paper had announced that President Chin A Sen and former minister Haakmat had become reconciled.

These examples out of a series of clashes and frustrations consequently illustrate the impossibility of any form of cooperation. The press as a mirror of daily life could not disassociate itself from "all the human suffering, from indignation, from anger and wrath, from pride and from almost all the side effects of loss of power and taking over power, which have led to so many human reactions and feelings, especially in these unusual circumstances." (Ooft). It is a fact that Suriname is divided, the description of that division and in so doing the possible sharpening of it, diametrically opposes the goals of the government, which emphasizes the binding factors in Suriname in an effort to achieve unity.

### Suspicion

Besides the military appears--moreover, on not unreasonable grounds--unable to get rid of their suspicion about the purity of the goals of some publications in newspapers, which still had served the old masters such a short time ago.

Moreover it is also considered undermining authority when newspapers, point out with absolute justification examples of lust for power which in a country governed in such a way as Suriname almost must happen.

The government leaders abruptly ended 2 weeks ago that tense situation between the press and those in power by announcing absolute censorship of the press. The motive was that the press subtly attempted to disrupt the revolutionary process. In fact, with this measure the new order exposed--better than any publication whatsoever could have done it--its own vulnerability. A year and a half after the coup, Suriname society still appears to be subject to a power struggle, which can become threatening for the present leaders. First there are the "old forces," once Suriname's intellectual and financial support, who are seeking an opportunity to recover their lost positions. Secondly there is a group which does not agree with the course outlined for the revolutionary process.

### Disappointment

The basis for both is the feeling of disappointment about the apparent slowness with which the promised improvements take place, this aside from the question whether it is reasonable to expect great results after a period of one and one-half years.

Part of the people have believed for a while in miracles and the return to reality is accompanied by a feeling of disappointment. Still

it will depend on the staying power of the Surinamers whether the "revolutionary process," with the goal connected with it of a return to democracy, will succeed. The euphoria has disappeared. What remains is the tenacity of the search for its own identity, in which the fact still seems to come home to roost that the coup of 25 February did not come from the people themselves, but took place outside them with a small military group.

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CSO: 3105/154

## EXILES DETAIL SITE, METHODS, LEADERS OF INMY INTELLIGENCE SERVICE

Rio de Janeiro JORNAL DO BRASIL in Portuguese 12 Jul 81 p 7

[Text] Porto Alegre--On the basis of the reports of political refugees in transit through the capital of Rio Grande do Sul and information provided by the soldier Hugo Walter Rivas, who deserted in May 1980 because he disagreed with the use of torture by the military against political prisoners, the Justice and Human Rights Movement of Porto Alegre has revealed for the first time the site and methods of operation of the Uruguayan Army Intelligence Service--located in the center of Montivideo--and also named some of its leaders.

A document about 50 pages long will be forwarded to international organizations for the defense of human rights and, according to the vice president of the Rio Grande do Sul justice movement, Jair Krischke, "It may serve as the basis for the formation of an international tribunal for the political crimes committed in the Southern Cone, like the Nuremburg tribunal after World War II, inasmuch as the crimes are equally serious."

## Discovery

Until now, nothing was known about the headquarters and the heads of the intelligence service which, according to Jair Krischke is "the principal agency directing repression in Uruguay, deciding almost everything about the fate of its citizens without any scruples, only the slightest suspicion being necessary for anyone to get into trouble." Krischke revealed that since the November 1980 plebiscite, the intelligence service has ordered "about 500 imprisonments." And because the end of the sentences of many of the prisoners is approaching, the intelligence service has asked for the reincarceration of 60 prisoners, charging them with leading the Tupamaro Movement from inside the prison.

The site of the Uruguayan Army Intelligence Service--which is located at 2020 Dante Street and occupies the entire block between Colonia, Republica and Martin Martinez Streets, one block from 18 July Street, the main street in Montevideo--was obtained after comparing the information given by the refugees to the Rio Grande do Sul human rights movement during the last 2 years.

In appearance, the building is not much different from others in the Uruguayan capital. It is a turn-of-the-century building with the same architectural style as Suarez Palace, the headquarters of the Executive Branch, located nearby. Built to serve as a military academy, it was remodeled in 1973 after President Bordaberry's coup to serve as headquarters of the recently created intelligence service.



The document of the Justice and Human Rights Movement explains that the first floor is reserved for theoretical classes and lodgings for the officers trained to serve as intelligence agents. The majority of the professors were students of the American agent, Dan Mittrione, murdered by the Tupamaros; such is the case of Capt Eduardo Ramos and Maj Dante Aguirre, deputy commander of the intelligence service.

On the ground floor is the Army Intelligence Information Processing Center, described by the former prisoners as the "biggest political data bank in Uruguay." In addition to maintaining an ideological file of citizens, it collects and collates information on the Uruguayan regime published abroad. A team of officers headed by Captain Araujo is charged with the constant monitoring and recording of Brazilian radio programs, especially from Rio Grande do Sul radio stations, and is also charged with censorship and the possible seizure of foreign newspapers.

### Prisoners

A sports gymnasium was transformed into a mass cell for 30 political prisoners (men and women). Sometimes the place is used for basketball games by the officers and at that time the prisoners are transferred to the two torture chambers, recently expanded, located in the inner courtyard of the quarters. Almost alongside them are the lodgings of the soldiers and the lower-rank officers of the command.

The intelligence service staff is comprised of around 52 military men--both officers and men--and the training courses last an average of 6 months. The commander is Colonel Aguerreondo, son of General Mario Aguerreondo, who died 2 years ago, both of them personal friends of President Aparicio Mendez and active participants in the 1973 coup. Colonel Aguerreondo is mentioned by the former prisoners as "one of the most cruel torturers" and has become known for his sympathy for nazism, particularly for Adolf Hitler.

Among the testimony that made it possible to locate the intelligence service, one of the most valuable was given by biophysicist Claudio Benech, who fled to Brazil with his family on New Year's eve. He placed the geographic area of the intelligence quarters by traffic noise. He began to notice that there was a traffic light at one of the corners because of the change in traffic flow. Confirmation of the site came later when, through an aperture in the sports gymnasium, he noticed a lighted sign he was already familiar with.

According to the reports of the political refugees, the bases of the Uruguayan intelligence students' instruction and conditioning "are Nazi-inspired and the agency gets its inspiration from the German SS," which was confirmed by former soldier Hugo Walter Rivas (today exiled in Sweden). The agency is comprised of hardline military men who do not admit "the more liberal sectors of the army" into their ranks.

In addition to theoretical classes on investigation, interrogation techniques, methods of infiltration into workers and students movements, practical torture training is given. The subjects are recruited at random from among those held in the intelligence service prison or, possibly, from among the prisoners in the Libertad Prison (men) or from Punta Rieles (women), "or from any other military unit that has a political prison."

## Kidnaping

According to this information, it was the intelligence service that organized the kidnaping of the Uruguayans Lilian Celibertti and Universindo Diaz in November 1978 in the capital of Rio Grande do Sul. Capt Eduardo Ferro was mentioned as the chief of that operation and other similar ones that have occurred in Argentina. According to the report, that officer usually participates in the torture sessions and today he is assigned to the Special Defense Intelligence Service.

Also charged with torture were Colonel Calixto de Armas, former commander of the intelligence service and current director of the secretariat general of the Ministry of the Interior, one of those charged with organizing the capture of Lilian Celibertti, torturing her when she was a prisoner at the 13th Infantry Regiment; Maj Jose Bassani, one of the most violent fighters against the Tupamaros, is today also in the command staff of the Special Defense Intelligence Service; Capt Eduardo Ramos, professor of the officer-agent students, coordinates and gives classes on torture; Capt Glaucio Yavonne, professor of interrogation techniques; Colonel Biar, chief of public relations of the command, one of those most feared by the prisoners.

The current intelligence chief, Colonel Aguerreondo, was commander of the 13th Infantry Regiment "where he did not spare any of the prisoners who passed through his hands," says the report. He is a personal friend of the military ministers and because of his prestige, only those officers indicated by him are assigned to the intelligence service. He supports an extreme right nationalist model and does not hide his sympathy for nazism. The deputy commander of intelligence, Major Dante Aguirre, and he make up an "inseparable" pair.

According to the prisoners, Major Dante Aguirre "is a "vain and eloquent" man. He usually talks to the prisoners in the intervals between tortures, always stressing that his job is to "comply with the law." "If the law orders me to kill, I kill." Captain Perdomo is chief of the operations section and his specialty in the tortures is "to strike karate blows at the most vulnerable parts of the prisoners."

Those accused among the lower ranks are noncommissioned officer Domingos Perlas ("The Old Man"), chief of the radio section of the intelligence service who describes himself as "more of a soldier than anybody in the Uruguayan Army." The report says: "His cruelty is such that sometimes his colleagues take him to task during the tortures." Directly charged with guarding the prisoners, almost with the duty of jailers, are Navy petty officers Fredo Martinez and Santino. According to the reports, both are under arrest for having carelessly compromised a plan for the infiltration of agents in the workers unions. They occupy special cells but they are free to apply torture during which they voice Nazi slogans such as "Heil, Uruguay."

According to the Justice and Human Rights Movement of Rio Grande do Sul, the intelligence chiefs are "anti-Semitic, anti-Negro and anti-Indian." They believe in the possibility of a race purification in Uruguay, rejecting the Jews, Negroes and descendants of Indians. They attribute the country's economic problems not to the current situation or administrative shortcomings but to a boycott by international Jewish capitalism.





## REASONS FOR COUP D'ETAT RUMORS DISCUSSED

Caracas RESUMEN in Spanish 12 Jul 81 p 4

[Text] Verbal warfare by politicians, the party crisis, the nonexistence and inefficiency of services, inflation, the stagnation of the economy, the failure of the justice system, unpunished corruption, the nonrepresentativeness of representative bodies and the suicidal information policy of President Herrera form a general picture within which a coup would seriously destabilize the system and open the doors to its replacement by violence.

It is no longer a matter of signs painted on public telephone booths calling for a military coup. It is a rumor with the terrifying sound of rocks tumbling in a river which has more flow than it can handle. President Herrera is losing his mysterious psychological capacity to command more rapidly than an ice cream cone melting in the hands of a Maracaibo schoolboy at high noon. Deaf to the friendly voices warning him about the incongruity of his public appearances, he is worse than deaf to the warnings about the ineptitude of his ministers of economy (who have gone through more money in the last 2 years than Perez did in 5 years and more than Caldera, Leoni and Betancourt altogether); worse than deaf, and blind also, to the increasing number of voices of alarm concerning the saturation of the country's capacity to accept, digest and eliminate such a high dose of criticism. The rumor is becoming a clamor, and already people are speaking openly of a "coup." But is the coup imminent? The more the news professionals sharpen their noses and their sense of smell to detect from what direction and with whom the coup may come, the less they find to put their fingers on. There are no "leaders" in the armed forces--at least none visible to the ordinary people. However, the rumor of a coup is there, because what we really have here is the classic social and political framework, the sociological climate; the emotional ambience inclines toward a swing of the pendulum back to authoritarianism which, in the words of Uslar on a TV program on Monday, 29 June, ...would be no more than the desperate call of the dying man's family to the witch doctor so that the latter may do what doctors and medicines have not been able to accomplish. I have here some of the happenings viewed by the Venezuelan people last week: The BCV [Central Bank of Venezuela] announced--and confirmed with figures--a very large stock sale. The reasons? We all know them. In the United States, London and Zurich the currency gained 19 percent, 20 percent and 21 percent and in Venezuela, barely 14 or 15 percent. The BCV, deaf and blind to the reality of global monetary interdependence, refused to accept this fact. While that was happening, Minister Ugueto, concerning whom there is no lack of evidence of his professional immaturity for the post, answered a dozen questions from NEWSWEEK, each one contradicting another.



Minister Martinez made a 200 million dollar error in the Sixth Plan. The minister of development is going to demand cocoa from FEDECAMARAS [Association of the Chambers of Commerce and Industry] and the finance minister is going to scold. At the beginning of the week Villalba accused Herrera of not consulting and of governing in a sectarian manner. The following day, Barrios said that Villalba was right and that the government is deaf and blind to the country's actual situation. The next day "Pepi" insulted Villalba. The following day, Alvarez Paz called FEDECAMARAS "cry-babies," and in Maturin there is a monotonous chorus of protests against the government's laziness, ineptitude and indifference to public opinion. An order was issued for the arrest of a newspaperman for revealing a military secret. What was the secret? That in a war game in IADEM [presumably IAEDEN--Institute of Higher Studies for National Defense] Venezuela lost the war with Guyana because of the ineptitude of the Foreign Ministry. And that is no secret. Meanwhile they continue with an inexplicable and unexplained policy concerning the "frozen" claim, and all that in the midst of negative economic growth (according to rumors, because the GNP figures are still unknown), in spite of the fact that we are beginning the second half of 1981. In the midst of all this racket, nobody is listening, everyone is talking, many are shouting, some are agitating and the voice and authority of the president are drowned, everytime he appears on television, in an irritatingly endless series of trifles which, far from convincing the country that "it is working," rather confirms the impression that there is a tragic confusion between mobility and yield; between motion and action; between prioritary and secondary and between the banal and the important.

#### The Bewildered Country

Villalba: The president does not consult, nor does he want to consult.

Uslar: We are on the verge of chaos. Perez Alfonzo was right; I was wrong: the Venezuelan people do not know how to administer the petroleum wealth.

Barrios: The government is unaware of the country's true situation.

Herrera: The purveyors of pessimism like to navigate in a catastrophic pond so that they can practice swimming and diving.

Eduardo Fernandez: We must find a new development model capable of preserving democracy.

Porras Omana: We must smooth down the rough edges.

Ugueto: It will not permit any more short-term indebtedness...(that is what the finance minister says of a government which has been in power for 28 months).

Alvarez Paz: FEDECAMARAS cannot lead a bunch of cry-babies.

Second Military Court: Arrest of journalist M. E. Diaz.

Ugueto: 86 billion for the coming year.

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**2 SEPT 1981**